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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92055558
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

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ECONOMY RENT-A-CAR, INC. )

Petitioner, )

v. )

EMMANOUIL KOKOLOGIANIS )  
AND SONS, SOCIETE )  
ANONYME OF TRADE, )  
HOTELS AND TOURISM S.A. )

Respondent. )

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**Cancellation No. 92055558**

**Registration No. 3256667**

**PETITIONER ECONOMY RENT-A-CAR, INC.'S MAIN TRIAL BRIEF**

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## I. INTRODUCTION

This Cancellation proceeding concerns the continued registration (Registration No. 3,256,667) of the following service mark owned by the Greek company, Emmanouil Kokologiannis And Sons, Societe Anonyme Of Trade, Hotels And Tourism S.A.:



The mark is allegedly used by Respondent in connection with providing rental car reservation services via the internet. It is, however, used and displayed in an abridged form as:<sup>1</sup>



The Petitioner, Economy Rent-A-Car, Inc. (hereinafter also referred to as “Economy”), is a Delaware corporation that uses the mark **ECONOMY RENT-A-CAR** for both vehicle reservation and rental services (also relying upon the internet to provide its reservation services). The Petition for Cancellation is premised on Section 2(d) of the Lanham Act. Priority of use has been pled by Petitioner on the basis of use by its predecessor-in-interest, a California company (UDBC, Inc.), long doing business

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<sup>1</sup> See, Petitioner’s Notice of Reliance (hereinafter “NOR”) (TTABVUE No. 38) at Admission Response No. 96. Respondent has also admitted that customers “routinely refer to Respondent as ‘Economy Car Rentals’”. See, NOR, at Admission Response No. 68.

as Economy Rent-A-Car in connection with the rental of cars in the Los Angeles area. In light of that priority, coupled with the similarity between the parties' marks and the legally-identical nature of the parties' services provided under their marks, Petitioner has pled that a likelihood of confusion exists between its mark and the registered mark of the Greek company. As discussed more fully below, that likelihood of confusion has since been demonstrated through a confusion survey conducted on behalf of Petitioner which demonstrated a net rate of confusion of 32% by persons viewing the marks used by the parties. Petitioner believes that confusion or mistake by interested consumers encountering the parties' respective marks is not only likely, but inevitable.

Petitioner has also based its Petition for Cancellation on Respondent's clear and unquestionable abandonment of the mark which is the subject of Registration No. 3,256,667. That mark has not been used in commerce by Respondent for many years and its current use of an "abridged" mark cannot be "tacked" onto the abandoned registered mark.

## **II. STATEMENT OF THE CASE**

As alleged in its Amended Petition for Cancellation, Petitioner is the authorized licensee of the service mark ECONOMY RENT-A-CAR which it uses and sublicenses to affiliate companies throughout California, as well as in other states. The service mark is used in connection with vehicle reservation and rental services. Petitioner has alleged and claimed continuous use of the ECONOMY RENT-A-CAR mark in connection with the aforesaid services through a California corporation, UDBC, Inc., since as early as December, 1993. Petitioner's Amended Petition For Cancellation (TTABVUE No. 10), at ¶¶ 1 and 2.

Respondent is a Greek corporation that is the owner of Registration No. 3,256,667 issued by the U.S. Patent and Trademark Office (“PTO”) in connection with the mark ECONOMY CAR RENTALS RENTAL-HIRE-RENT A CAR-AUTOVERMIETUNG-MIETWAGEN & Design. That registration was granted on June 26, 2007 in connection with: “Transport by car, organization of travel and arranging travel tours, car rental services”. Priority as of June 26, 2007 was claimed on the basis of Respondent’s ownership of International Reg. No. 0884096. See, PTO Registration file for Registration No. 3,256,667.

On April 30, 2012, Petitioner filed its above-noted Petition for Cancellation of Registration No. 3,256,667, basing its claim on priority and likelihood of confusion under Section 2(d) of the Lanham Act, as well as “abandonment” of that registered mark under the Lanham Act. On August 9, 2012 (TTABVUE No. 1), Petitioner “amended” its Petition for Cancellation (TTABVUE No. 10). Respondent filed its Answers (TTABVUE Nos. 6 and 12) to the aforesaid Petitions on July 10 and August 24, 2012, denying the salient allegations of the Petition, as amended. In addition, Respondent asserted affirmative defenses of laches, acquiescence and unclean hands as part of its responsive pleading.

Both parties timely served their respective initial and pretrial disclosures and pursued written discovery.<sup>2</sup> During the trial phase of this proceeding, Petitioner took the depositions of: Alejandro Muniz (President of Petitioner Economy); Bob Martyn (Vice President of Petitioner’s predecessor and current licensee, UDBC, Inc.); and Hal Poret (a Trademark Survey Expert Witness). During its own trial testimony period,

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<sup>2</sup> Respondent filed a Motion For Summary Judgment on Petitioner’s claims on May 23, 2014. That motion was denied by the TTAB on September 23, 2014.

Respondent took the deposition of Yorgos Kokologiannis (Director Manager of Respondent) and, by stipulation, introduced the affidavit testimony of Micael Waxby and Ioanna Myridaki.

On November 26 and December 17, 2014, Petitioner filed the Trial Testimony Transcripts of its aforesaid witnesses, including Trial Exhibits thereto. In addition, Petitioner has also timely filed its Notice of Reliance on November 21, 2014, regarding certain Interrogatory Answers and Admission Responses, as well as Responses to certain Document Requests.<sup>3</sup> Respondent has also filed a Notice of Reliance upon certain written discovery responses of Petitioner, but as of the filing of this brief has not filed any transcript of the trial testimony of its witness.<sup>4</sup>

Rebuttal Testimony in the form of an Affidavit by Christopher Butler was submitted into evidence by Petitioner on June 24, 2015 by way of stipulation between the parties (TTABVUE No. 60).

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<sup>3</sup> Petitioner does not rely upon documents produced under Rule 34; rather, it relies upon negative responses by Respondent to the existence of documents sought by Petitioner, as well as Respondent's explanation regarding the same.

<sup>4</sup> On June 16, 2015, Petitioner filed a Motion To Strike Portions Of Respondent's Notice of Reliance (TTABVUE No. 59). That motion remains pending before the TTAB and no decision has been entered at the time of the filing of this Trial Brief. Respondent did not respond to the motion and, therefore, the motion should be deemed "conceded." 37 CFR §2.127(a).

### **III. DESCRIPTION OF THE RECORD**

The evidence of record consists of:

#### **A. Petitioner's Evidence**

(1) The pleadings—Amended Petition For Cancellation (filed August 9, 2012) and Answer (filed August 24, 2012) (TTABVUE Nos. 10 and 12);

(2) Trial Testimony of Hal Poret, including the “Expert Report Of Hal Poret On Survey To Measure Likelihood Of Confusion Between The Use Of The Mark Economy Rent-A-Car And The Mark Economy Car Rentals Rental-Hire-Rent A Car-Authovermietung-Mietwagen (With Design)” (dated March 18, 2012) and Exhibits 1 through 6, filed November 26, 2014 (TTABVUE No. 41);

(3) Trial Testimony of Alejandro L. Muniz, filed November 26, 2014, together with Exhibit Nos. 1 through 4, 7 through 10, 12, 13, 16, 18 through 27, and 29 through 34 thereto (TTABVUE No. 40);

(4) Confidential Trial Testimony of Alejandro L. Muniz (and Exhibits 5, 6, 11, 14, 15, 17 and 28 thereto), filed November 26, 2014 (TTABVUE No. 39);

(5) Trial Testimony of Bob Martyn, filed December 17, 2014, together with Exhibit Nos. 1 through 28 and 30 through 39 introduced during that deposition (TTABVUE No. 43);

(6) Confidential Trial Testimony of Bob Martyn, filed December 17, 2014 (and Exhibit 29 thereto) (TTABVUE No.42);

(7) Petitioner's Notice of Reliance (“NOR”), filed on November 21, 2014, including Exhibits A through G (TTABVUE No. 38); and,

(8) Stipulated Rebuttal Trial Testimony Of Christopher Butler (and Exhibits thereto), filed June 24, 2015 (TTABVUE No. 60).

## **B. Respondent's Evidence**

(1) Respondent's Notice Of Reliance, including Exhibits 1 through 59 (subject to Petitioner's objections set forth in its prior Motion To Strike and the objections set forth in Appendix A hereto), filed May 26, 2015 (TTABVue Nos. 57 and 58).

## **IV. STATEMENT OF THE ISSUES**

(1) Whether Petitioner is the prior user at common law of ECONOMY as, or as part of, a service mark for vehicle rental car services.

(2) Whether there is a likelihood of confusion between Petitioner's previously-used mark, ECONOMY RENT-A-CAR, for vehicle rental services and Respondent's registered mark ECONOMY CAR RENTALS RENTAL-HIRE-RENT A CAR-AUTOVERMIETUNG-MIETWAGEN & Design for "transport by car, organization of travel and arranging travel tours, car rental services".<sup>5</sup>

(3) Whether Respondent has abandoned its mark, as registered, by the use of an abridged version of that mark which is neither the legal equivalent of, nor one presenting the same continuing commercial impression as, the registered mark.

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<sup>5</sup> Having admitted during the course of this cancellation proceeding that it has not used its registered mark in connection with "arranging travel tour" services, Respondent has since removed those services from the registration sought to be cancelled herein.

## **V. STATEMENT OF FACTS**

### **(The Business of Petitioner)**

Petitioner Economy is a Delaware corporation that is in the business of providing vehicle rental and reservation services in a number of states, including the State of California. It conducts its commercial operations under the service marks ECONOMY RENT A CAR (both with, and without, hyphens) and ECONOMY, marks that it has been licensed to use throughout the country (and which it has itself sublicensed to various affiliated companies). Those marks have been used in both stylized and non-stylized format. See Muniz Testimony (TTABVUE 40), at p. 15, lines 13-24 and p. 34, lines 3-8.

Petitioner herein (Economy) is the United States operating company for a family of three companies that were formed to provide global vehicle rental and reservation services.<sup>6</sup> As part of that corporate family, Petitioner is directly responsible for *inter alia* the sub-licensing throughout the United States of “affiliate” companies (which actually provide the rental vehicles under the ECONOMY RENT-A-CAR service mark) and promoting the mark on the internet. See, Muniz Testimony

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<sup>6</sup> The corporate “Economy” family consists of not only the Petitioner, but also of the Costa Rican corporation, Proveedores Y Soluciones Dac S.A. (hereinafter, “Proveedores”) which owns U.S. federal registration numbers 3,786,010 and 3,846,482 for the marks ECONOMY RENT A CAR and ECONOMY respectively for rental car and vehicle reservation services (Muniz Testimony (TTABVUE No. 40), at p. 15, lines 13-17 and Exhibits 3 and 4 thereto) and a Nevada corporation, Economy Rent-A-Car Leasing, Inc. (hereinafter “Economy Leasing”) which provides financial and administrative services for the car rental operations and is a U.S. licensee of the Costa Rican corporation. Economy Leasing sub-licensed the use of the ECONOMY RENT A CAR (both with, and without hyphens) and ECONOMY marks to Petitioner, the operating company within the Economy family. Muniz Testimony (TTABVUE No. 39) at p. 15, line 18 to p. 17, line 21 and Exhibits 5 and 6 thereto; see, Muniz Testimony (TTABVUE No. 39) at p. 10, lines 9-23 and Exhibits 15 and 16 thereto.



(TTABVUE No. 40), at p. 10, line 2 to p. 12, line 19; p. 14, line 15 to p. 15, line 9. Among its responsibilities, Economy not only locates new Affiliates for rental car operations, but also negotiates the Affiliate Agreements with third parties (including the licensing provisions therein) and supervises the compliance by licensees with the terms and restrictions in those agreements. *Id.*, at p. 10, line 2 to p. 12, line 20; p. 40, line 6 to p. 41, line 1. In addition, the Petitioner is the corporate entity which creates signage and marketing campaigns for licensed Affiliates, receives the income from the vehicle reservation fees, and stands behind the reputation of the ECONOMY RENT A CAR mark when complaints concerning service quality arise. *Id.* at p. 10, line 2 to p. 12, line 19. Petitioner attends annual trade shows promoting its ECONOMY RENT A CAR mark and rental car services and is a member of leading trade associations in the rental car field. *Id.*, at p. 42, lines 11-22.

The Economy family's global vehicle reservation services are provided *via* the internet, through a website which is owned, operated and maintained by Petitioner. See, Muniz Testimony (TTAVUE No. 40) at p. 14, line 15 to p. 15, line 9 and Exhibit 2 thereto. As already noted, the rental vehicles are provided by Affiliate companies licensed to use the ECONOMY RENT A CAR mark (with and without hyphens) and they pay Petitioner a fee for the reservations fulfilled via the rentals. They (the Affiliates) use signage provided by Petitioner and the latter routinely inspects the operations of the Affiliates to ensure they are using the licensed marks correctly. *Id.*, at p. 12, lines 2-5; p. 39, lines 9-19.

Initially, Economy's operations were focused on the Florida market. However, in or about the Fall of 2009, Alejandro Muniz (Petitioner's President) reached a

decision to enter the Los Angeles area with his company's vehicle rental and reservation operation. Before doing so, however, he first investigated whether his company could lawfully use the ECONOMY RENT-A-CAR name and mark in that area and, at that time, he became aware of a company that had a telephone listing on YellowPages.Com under the name "Economy Rent A Car" in Van Nuys, California. Muniz Testimony (TTABVUE No. 40), at p. 17, line 22 to p. 19, line 6; p. 20, line 12 to p. 21, line 11 and Ex. 8 thereto.<sup>7</sup> In order to confirm the current operational existence of that company and when it began using the "Economy" name, Mr. Muniz traveled to Van Nuys in mid-June, 2010 and determined not only the existence of the rental car operation, but also that it had been continuously active at that location for a number of years. See, Muniz Testimony (TTABVUE No. 40), at p. 21, line 12 to p. 23, line 23 and Exhibits 9 and 10 thereto. That fact was confirmed by both the employees of UDBC, and by its President, Bob Martyn. *Id.*, at p. 84, lines 10-25.

After determining who owned the Van Nuys rental car operation (i.e., UDBC, Inc.), Mr. Muniz then made a decision to purchase the rights in the mark. That decision was dictated not only by Petitioner's desire to secure the goodwill in the ECONOMY RENT-A-CAR name (with and without hyphens) in Van Nuys, but also by the need to acquire sufficient trademark common law rights in the state of California to enable Petitioner to lawfully negotiate future Affiliate licensing agreements in the Los Angeles area. Muniz Testimony (TTABVUE No. 40), at p. 27, line 3 to p. 28, line 22.

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<sup>7</sup> Mr. Muniz also became aware that the Van Nuys company had an expired state registration for the mark "Economy Rent-A-Car". Muniz Testimony (TTABVUE No. 40), at p. 18, line 24 to p. 19, line 18.

Initially, the negotiations with Mr. Bob Martyn, the president of UDBC, Inc. (hereinafter “UDBC”), involved a license to use the ECONOMY RENT-A-CAR mark in California, with an option to purchase that mark for an additional sum of money.<sup>8</sup> Several months later, however, that option was elected by Mr. Muniz on behalf of Proveedores and those parties executed written Assignments of UDBC’s common law rights in the ECONOMY RENT-A-CAR name and mark, as well as that company’s active state registration for the mark. See, Muniz Testimony (TTABVUE No. 39), at p. 24, line 4 to p. 26, line 6 and Exhibit Nos. 11 and 12 thereto.<sup>9</sup>

Once acquiring from UDBC the California common law rights in and to the ECONOMY RENT-A-CAR name and mark, Proveedores promptly licensed them to the Nevada corporation (Economy Leasing) which, in turn, immediately licensed them to the operational company—Petitioner herein. The transfers initially took place through a verbal licensing approach, but were later followed by written Licenses *nunc pro tunc*. See, A. Muniz Testimony (TTABVUE No. 39), at p. 28, line 23 to p. 31, line 22 and Exhibits 14 and 15 thereto.

These Assignments enabled Petitioner to lawfully enter the California market and to begin negotiating and granting licenses to use the ECONOMY RENT A CAR

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<sup>8</sup> Those negotiations involved the use of an intermediary (BLT Consulting, LLC) who acquired not only a license to use the Economy Rent-A-Car mark, but also the *assignable right* to purchase the mark. See, Muniz Testimony (TTABVUE No. 40) at p. 110, line 8 to p. 113, line 10 and Exhibit 30 thereto.

<sup>9</sup> A copy of the state registration (and supporting/related materials) was identified by Mr. Muniz and introduced into evidence during his testimony. Muniz Testimony (TTABVUE No. 40), at p. 26, line 10 to p. 27, line 2.

mark in that state (which it did beginning in April of 2012).<sup>10</sup> The California Affiliate Agreements were granted by Petitioner and involved the licensing not only of the registered ECONOMY and ECONOMY RENT-A-CAR marks in their stylized form, but also in plain block lettering—which was enabled by the acquisition of the trademark rights from UDBC. See, Muniz Testimony (TTABVUE No. 39), at p. 33, line 16 to p. 34, line 8; p. 37, line 15 to p. 38, line 16 and Exhibit 17 (at Para. 1.3).

The Petitioner has four separate licensees or affiliates using the ECONOMY RENT A CAR mark (with and without hyphens, as well as with and without stylization) in the state of California. Muniz Testimony (TTABVUE No. 40), at p. 31, line 23 to p. 32, line 15.<sup>11</sup> The grant of those licenses in California by Petitioner hinged upon the acquisition of rights from UDBC. *Id.*, at p. 33, line 13 to p. 35, line 5; p. 37, line 15 to p. 38, line 20. Those California licensees make their payments to Petitioner and, as already noted, the Petitioner inspects their facilities for compliance with the licenses that have been granted to them. *Id.*, at p. 12, lines 2-5; p. 35, line 18 to p. 36, line 10; p. 38, line 17 to p. 39, line 8; p. 42, lines 8-10. Not only does the Petitioner provide the signage for Affiliates, but it also pays for the internet advertising that drives potential customers to those Affiliates. *Id.*, at p. 12, lines 6 to 14; p. 39, lines 9-19. This is true not only for the California Affiliates, but also for those located in other states, such as Florida, California, Pennsylvania, New York, Alaska, Hawaii, Ohio,

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<sup>10</sup> See, Muniz Testimony (TTABVUE No. 39) at p. 33, line 16 to p. 35, line 11 and Exhibit 17 thereto.

<sup>11</sup> Examples of the licensing or affiliate agreements with California companies were identified and introduced during the Muniz testimony. See, Muniz Testimony (TTABVUE No. 39), at p. 33, line 13 to p. 37, line 2 and Exhibits 17 and 18 thereto.

New Jersey, Puerto Rico and the Virgin Islands. Muniz Testimony (TTABVUE No. 40), at p. 11, lines 5-18.<sup>12</sup>

**(The Business of Petitioner's Predecessor)**

As noted *supra*, Petitioner's rights in the name and mark in California are premised upon the rights acquired from UDBC by Proveedores and licensed to Petitioner (through its related company, Economy Rent A Car Leasing, Inc.). The claims set forth in the Amended Petition For Cancellation make clear that Petitioner is basing its "priority" of use of the trade name and service mark ECONOMY RENT-A-CAR on the rights formerly held by, and acquired from, UDBC. See, Amended Petition for Cancellation (TTABVUE No. 10), at ¶¶ 2 and 7.

UDBC is a California corporation that began providing its rental car services in the Van Nuys area of California at least as early as 1994.<sup>13</sup> Martyn Testimony (TTABVUE No. 43), at p. 5, line 25 to p. 6, line 14; p. 7, line 24 to p. 8, line 10; see also, Martyn Testimony (TTABVUE No. 43), at p. 29, line 16 to p. 30, line 3 and Exhibit 25 thereto. The trade name "Economy Rent A Car" and the service mark ECONOMY RENT-A-CAR were adopted and were first used by UDBC in December of

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<sup>12</sup> Petitioner currently has 49 Affiliates operating in 87 locations globally, 12 of which are in the United States operating in 22 cities. See, Muniz Testimony (TTABVUE No. 40), at p. 11, lines 5-18.

<sup>13</sup> The vehicle fleet averaged 55 cars between 1994 and 2006. Martyn Testimony (TTABVUE No. 43), at p. 117, lines 11 to 23.

1993.<sup>14</sup> The location of its rental car operations on Sepulveda Boulevard rendered it close to LAX airport and on a heavily-traveled thoroughfare. In addition, Mr. Martyn's place of business was close to the LAX shuttle service (called the Van Nuys Flyaway) which made it a very low cost way for airport customers to reach the location. Martyn Testimony (TTABVUE No. 43), at p. 8, line 17 to p. 9, line 13.

Since 1994, UDBC has continuously had exterior pole signage at its place of business that displayed the mark ECONOMY RENT-A-CAR. Martyn Testimony (TTABVUE No. 43), at p. 9, line 10 to p. 10, line 13. That pole signage can be seen by travelers on Sepulveda Boulevard. *Id.*, at p. 10, line 6 to p. 12, line 8 and Exhibits 2 and 3 thereto. Since 1994, UDBC has answered its phones by saying "Economy Rent A Car" and has continuously corresponded with its suppliers using the trade name "Economy Rent A Car" (and/or "Economy Rent-A-Car"). *Id.*, at p. 12 line 9 to p. 13, line 4. UDBC began advertising its ECONOMY RENT-A-CAR service mark in printed telephone directories (Yellow Pages and White Page listings) in 1994. *Id.*, at p. 13, lines 5 to 21. During his testimony deposition, Mr. Martyn identified a number of those directories covering the years 1997 through 2007. *Id.*, at p. 13, line 22 to p. 23, line 21 and Exhibits 4 through 17; see also, Martyn Testimony (TTABVUE No 43) at p. 26 line 5 to p. 29, line 15 and Exhibits 22 through 25 thereto. Mr. Martyn further testified that

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<sup>14</sup> Mr. Martyn explained that "ECONOMY RENT A CAR" has continuously been used since its adoption, but sometimes with hyphens and sometimes without hyphens. Martyn Testimony (TTABVUE No. 43), at p.7, line 24 to p. 8, line 16. The name was placed in use immediately upon the formation of UDBC in December of 1993. *Id.*, at p. 85, lines 4 to 12.

the telephone advertising by his company continued between 1998 and 2010.<sup>15</sup> See, Martyn Testimony (TTABVUE No. 43) at p. 23, line 22 to p. 26, line 4 and Exhibits 18 through 21 thereto. In 2009, UDBC turned to promoting its mark, services, location and telephone number in internet directories, a practice continuing to the present date. *Id.*; see also, Martyn Testimony (TTABVUE No. 43), at p. 88, line 15 to p. 89, line 12.

In addition to its many advertisements in telephone directories over the years, UDBC also promoted its mark via the distribution of thousands of advertising flyers between 1993 and the present date. See, Martyn Testimony (TTABVUE No. 43), at p. 30, line 4 to p. 31, line 5 and Exhibit 26 thereto; see also, *id.*, at p. 34, line 17 to p. 36, line 2 and Exhibit 31 thereto.<sup>16</sup> Moreover, the Rental Car Agreements (and rental receipts) that were provided to customers since at least as early as 2000 with each and every rented vehicle also displayed the ECONOMY RENT-A-CAR mark on them. *Id.*, at p. 36, line 3 to p. 37, line 1 and Exhibit 32 thereto. Likewise, the trade name “Economy Rent A Car” (both with, and without, hyphens) was continuously used by UDBC in dealing with its customers and suppliers and on its business communications with others. *Id.*, at p. 37, line 2 to p. 39, line 13 and Exhibit 33 thereto.

In testifying about the transfer of UDBC’s trademark rights to Proveedores, Mr. Martyn identified the Assignment documents he executed, including the transfer of common law rights and the California state registration. See, Martyn Testimony (TTABVUE No. 42), at p. 31, line 6 to p. 33, line 15 and Exhibits 27 through 29

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<sup>15</sup> While Mr. Martyn was unable to locate and produce all annual versions of his company’s telephone advertisements, he testified that those not produced contained the same advertisements as those that had been produced. See, Martyn Testimony (TTABVUE No. 43), at p. 26, lines 5 to 17; p. 28, lines 10 to 21.

<sup>16</sup> See also, Martyn Testimony (TTABVUE No. 43) at p. 37, line 16 to 25 and Exhibit 33 thereto.

thereto. He also confirmed receipt of the License received from Petitioner enabling UDBC's ongoing use of the ECONOMY RENT-A-CAR mark (Martyn Testimony (TTABVue No. 43), at p. 33, line 16 to p. 34, line 16 and Exhibit 30 thereto) and that his company continued the same rental car operations and promotional use of the mark after receiving that License. See generally, Martyn Testimony (TTABVue No. 43), at p. 74, line 1 to p. 76, line 16.

Finally, Mr. Martyn provided testimony about his company's efforts to police unauthorized third party usage of confusingly similar marks in the Los Angeles area. Martyn Testimony (TTABVue No. 43), at p. 39, line 4 to p. 43, line 8 and Exhibits 34 and 35 thereto. Mr. Martyn explained that he did not know of the Respondent's business until about four years ago (2010) and even then, he believed it to be some foreign company only doing business outside the United States (which he viewed as irrelevant to his own operations). *Id.*, at p. 43, line 9 to p. 44, line 15; p. 77, line 23 to p. 78, line 12.

### **(The Business Of Respondent)**

Respondent Emmanouil Kokologiannis And Sons, Societe Anonyme Of Trade, Hotels And Tourism S.A. (hereinafter referred to as "Respondent") is a Greek company that owns federal Registration No. 3,256,667 for the mark ECONOMY CAR RENTALS RENTAL-HIRE-RENT A CAR-AUTOVERMIETUNG-MIETWAGEN & Design. See, A. Kokologiannis Testimony (Appendix F) p. 15, line 18 to p. 16, line 11 and Exhibit 2 thereto. That registration, which is the subject of this Cancellation proceeding, was initially granted on June 26, 2007 in connection with "Transport by



car, organization of travel and arranging travel tours, car rental services”.<sup>17</sup> Paris Treaty priority as of August 11, 2005 was claimed on the basis of Respondent’s ownership of International Reg. No. 0884096.

Like Petitioner, Respondent is in the business of providing over the internet reservations for rental cars. A. Kokologiannis Testimony (Appendix F), at p. 7, lines 3 to 20. Indeed, both parties’ marks can be found side-by-side in a search of Google listings for car rental companies. See, Muniz Testimony (TTABVUE 40), at p. 39, line 20 to p. 40, line 3. Respondent pursues its online rental car business through arrangements with independent rental car companies (which it refers to as “subcontractors”).<sup>18</sup> See, A. Kokologiannis Testimony (Appendix F), at p. 22, line 25 to p. 23, line 9. Respondent relies on these “subcontractors” to actually provide the rental vehicles—which they do under their own trademarks (not the Respondent’s mark). As it admits, “Respondent...has not, to date, provided vehicles for rental in the U.S. under Respondent’s Mark in the exact form it was registered.” See, Petitioner’s NOA (TTABVUE No. 38), Admission Request 82.

Respondent has no employees that reside in the United States and it owns no vehicles that are rented in the United States. Petitioner’s NOR (TTABVUE No. 38), Interrogatory Answer No. 25 and Document Request Response Nos. 34 and 35. It

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<sup>17</sup> During the course of discovery, Respondent admitted that it has rendered no “arranging travel tour” services in the United States, as incorrectly claimed and recited in its registration. See, NOR (TTABVUE No. 38), Admission Response No. 19. Those services were subsequently then deleted by Respondent when it filed its Declaration Of Continued Use under Section 71 on June 13, 2013.

<sup>18</sup> Examples of such “subcontractors” identified by Respondent during discovery include independent rental car companies such as Dollar Thrifty Automotive Group, Inc. and EAN Services (Alamo Rent A Car and National Car Rentals).

conducts no “print” advertising in the United States. *Id.*, Interrogatory Answer No. 8 and Admission Response Nos. 3 and 84. Indeed, it admits that it has no documents that show any printed advertisements for any of its services that have been published or distributed in the United States within the past ten years that display the mark as it was registered under Registration No. 3,256,667. See, NOR (TTABVUE No. 38), Document Request Response No. 49.

Respondent admits that it has no documentary evidence of any of its customers booking the rental of a car in the United States prior to 2009 (NOR (TTABVUE No. 38), Admission Request 26), and claims that its first rental of a vehicle in the United States to any resident of this country did not occur until February 28, 2009. *Id.*, Admission Request No. 114. Since that time, Respondent has entered the Los Angeles area with its vehicle reservation services (and those car rentals are offered to the same class of customers as those of Petitioner). *Id.*, Admission Request Nos. 60-62 and 80.

What became clear during the course of discovery is that Respondent *has not used for many years the mark actually registered under Registration No. 3,256,667 for any of the services recited in that registration.*<sup>19</sup> The only printed display of any of Respondent’s marks in connection with the rental of a vehicle in the United States is on the “Voucher Contracts” that a customer carries with him or her to the

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<sup>19</sup> This nonuse of the mark as registered under Registration No. 3,256,667 is relevant to this proceeding because Petitioner has claimed that Respondent abandoned the registered mark. See, Amended Petition For Cancellation (TTABVUE No. 10), at ¶ 5. In addition, if Respondent has abandoned the registered mark, its alleged defense of laches would not overcome that abandonment. See, *Linville v. Rivard*, 41 U.S.P.Q.2d 1731, 1733, fn. 5 (TTAB 1996), *aff’d on other grounds*, 133 F.3d 1446, 45 U.S.P.Q.2d 1374 (Fed. Cir. 1998).

subcontractor rental car company. See, Petitioner's NOR (TTABVUE No. 38), Interrogatory Answer No. 28; Document Request Response No. 5. However, Respondent has since admitted that none of those Voucher Contracts displayed the mark as it was actually registered in the U.S. Patent and Trademark Office.<sup>20</sup> See, Petitioner's NOR (TTABVUE No.38), Admission Response No. 11 and Document Request Response Nos. 40 and 48. Respondent casually dismisses its long nonuse of the registered mark with the self-serving conclusion that the mark it actually uses is the "legal equivalent" of the mark as actually registered.<sup>21</sup> Petitioner's NOR, Interrogatory Answer No. 34 (explaining the response to Admission Request 11) and Admission Response Nos. 9 and 54.

The mark as registered under Registration No. 3,256,667 is as follows:



The mark that Respondent claims to be the "legal equivalent" of the above-noted registered mark is as follows:

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<sup>20</sup> Respondent also has admitted that its subcontractors do not use the Respondent's mark as it was registered under Reg. No. 3,256,667. See, NOR (TTABVUE No. 38), Supplemental Response to Admission Request No. 38.

<sup>21</sup> This so-called "legal equivalent" mark is also the mark that is used on Respondent's website and which has appeared on the website for at least the past four years. See, NOR (TTABVUE No. 38), Supplemental Admission Response Nos. 30, 31 and 32.



As will be discussed further below, Petitioner submits that Respondent's complete removal of the wording "Rental-Hire-Rent A Car-Autovermietung-Mietwagen" from the registered mark significantly altered the commercial impression of that mark, not only as to sight and sound, but also as to meaning or connotation to consumers.

## **VI. LEGAL ARGUMENT**

### **A. Petitioner Has Standing To Assert This Cancellation Proceeding.**

As demonstrated *supra*, Petitioner has shown that it is the United States operating licensee of the ECONOMY RENT-A-CAR service mark and that it is the entity which promotes it throughout the country in connection with its own licensed affiliates who provide vehicle rental services to the public under that mark. The mere fact that it does not "own" the mark is certainly not determinative of its "standing" to assert rights in that mark. As noted by Prof. McCarthy: "Even a party with no direct proprietary ownership interest in a trademark can have standing to oppose if it meets the requirement of having a real commercial interest and is not merely an intermeddler". See, J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, §20.7 at p. 20-20 (4th ed. 2007); see also, *National Cable Television Association v. American Cinema Editors Inc.*, 937 F.2d 1572, 19 U.S.P.Q.2d 1424, 1428 (Fed. Cir. 1991). Prof. McCarthy then correctly observes that even "a licensee has standing to oppose, based on its own use of a mark." *Id.*; see also, *Syngenta*

*Crop Protection, Inc. v. Bio-Check, LLC*, 90 U.S.P.Q.2d 1112 (TTAB 2009). Based on the testimony of Mr. Muniz, it is clear that Petitioner has a real commercial interest in the mark being asserted herein.

The Federal Circuit has enunciated a liberal threshold for determining standing, namely, whether a plaintiff's belief in damage has a reasonable basis in fact and reflects a real interest in the case. *See, Ritchie v. Simpson*, 170 F.3d 1092, 50 U.S.P.Q.2d 1023 (Fed. Cir. 1999). As a direct commercial competitor of Respondent, Petitioner certainly has an interest in the outcome of these proceedings that goes well beyond the public in general. That commercial interest is sufficient to provide it with "standing" in this case. *Books On Tape, Inc. v. The Booktape Corp.*, 836 F.2d 519, 520, 5 U.S.P.Q.2d 1301, 1302 (Fed. Cir. 1987). Moreover, Respondent has not contested Petitioner's standing to assert rights in this Cancellation proceeding by way of affirmative defense. Accordingly, Petitioner has demonstrated its standing to assert the claims it has made under Section 2(d) of the Lanham Act.

**B. Petitioner Has Established Common Law Priority Of Use Of The ECONOMY RENT-A-CAR Mark Through Its Predecessor-In-Interest.**

Initially, Petitioner addresses and disposes of Respondent's legal contention that *intrastate* use of the common law mark, ECONOMY RENT-A-CAR, by Petitioner's predecessor in California provides Petitioner with priority only in that state for purposes of this Cancellation proceeding. More specifically, Respondent, in its Second Affirmative Defense, takes the incorrect position that such use limits Petitioner's rights only "to those territories where Petitioner can prove it had established rights prior to the Respondent's priority date". Respondent then

concludes: “Therefore, to the extent that that Petitioner cannot prove prior use in all States and Territories of the United States, the Petition must fail.” See, Respondent’s Answer To Amended Petition For Cancellation” (TTABVUE No. 12), at p. 4.

Clearly, Respondent’s contention that Petitioner must establish priority throughout the United States in order to cancel the registered mark under Section 2(d) of the Lanham Act is incorrect. As noted long ago by the Federal Circuit:

Were failure to show ‘use in commerce’ a bar to petitioning for cancellation of a registration, a party could never cancel a mark based solely on intrastate use. This is not the law. Section 14 requires only prior use; ‘in commerce’ is noticeably absent. See, e.g., *Hess’s of Allentown, Inc. v. National Bellas Hess, Inc.*, 169 U.S.P.Q. (BNA) 673, 677 (TTAB 1971) (Prior use of mark in intrastate commerce sufficient to sustain petition for cancellation based on likelihood of confusion with mark); *Plymouth Cordage Co. v. Solar Nitrogen Chem., Inc.*, 152 U.S.P.Q. (BNA) 202, 204 (TTAB 1966)(same).

*National Cable Television Association, Inc. v. American Cinema Editors, Inc.*, 937 F.2d 1572, 1578, fn. 4, 19 U.S.P.Q.2d 124 (Fed. Cir. 1991); accord, *Panda Travel, Inc. v. Resort Option Enterprises, Inc.*, 94 U.S.P.Q.2d 1789 (TTAB 2009); see also, *L. & J.G. Stickley Inc. v. Cosser*, 81 U.S.P.Q.2d 1956, 1965 (TTAB 2007) (intrastate use of petitioner’s mark is sufficient to establish priority) *Corporate Document Services, Inc. v. I.C.E.D. Management, Inc.*, 48 U.S.P.Q.2d 1477 (TTAB 1998) (“It is well established that rights in and to a trademark are created by use of the mark in either intrastate or interstate commerce”). Thus, if Petitioner establishes priority of use of the asserted mark ECONOMY RENT-A-CAR in California (which it certainly has done), that evidence is sufficient to establish priority for purposes of Section 2(d) and standing for purposes of Section 14 of the Lanham Act.

Turning to whether the evidence establishes Petitioner's "priority" for purposes of Section 2(d) of the Lanham Act, Petitioner introduced during its testimony period the following evidence (TTABVue No. 43) demonstrating use of the ECONOMY RENT-A-CAR mark, all of which predated Respondent's claimed priority date (August 11, 2005) regarding its own registered mark:

- (1) Martyn Exhibit 26 Printed advertisement displaying ECONOMY RENT-A-CAR (and design) between 1993 and 1998;
- (2) Martyn Exhibit 3 Photograph of Pole Sign displaying ECONOMY RENT-A-CAR mark from 1994 to 2007;
- (3) Martyn Exhibit 4 Telephone Directory Advertisement (1997);
- (4) Martyn Exhibit 24 Telephone Directory Advertisement Proof (1997);
- (5) Martyn Exhibit 5 Telephone Directory Advertisement (1998);
- (6) Martyn Exhibit 6 Telephone Directory Listing (1998);
- (7) Martyn Exhibit 7 Telephone Directory Advertisement (1998);
- (8) Martyn Exhibit 8 Telephone Directory Advertisement (1999);
- (9) Martyn Exhibit 31 Print Advertisement (used between 2000 and present);
- (10) Martyn Exhibit 9 Telephone Directory Advertisement (2000);
- (11) Martyn Exhibit 10 Telephone Directory Advertisement (2000);
- (12) Martyn Exhibit 11 Telephone Directory Advertisement (2001);
- (13) Martyn Exhibit 12 Telephone Directory Advertisement (2000/01);
- (14) Martyn Exhibit 22 Telephone Advertisement (2002);
- (15) Martyn Exhibit 13 Telephone Directory Advertisement (2003);
- (16) Martyn Exhibit 23 Telephone Coupon Advertisement (2004); and,
- (17) Martyn Exhibit 14 Telephone Directory Advertisement (Jan. 2005).

In addition to the foregoing, Petitioner presented competent testimony through Bob Martyn concerning additional print advertising distributed by his company between 1994 and 1998 (TTABVUE No. 43, Martyn Exhibit 26). Mr. Martyn also authenticated his company's rental agreements (TTABVUE No. 43, Martyn Exhibit 32) which have displayed, and continue to display, the ECONOMY RENT-A-CAR mark since at least 2000.

In view of the foregoing, it is abundantly clear that Petitioner has established by competent and overwhelming evidence that it has "priority" of use of the term "Economy" as part of a service mark in connection with vehicle rental operations. Indeed, apart from its alleged constructive priority date, Respondent has since admitted in discovery that it conducted no services in the United States in connection with its own "Economy" mark before 2009. See Petitioner's NOR (TTABVUE No. 38), Admission Request No. 114.

**C. Respondent's Registered Mark, ECONOMY CAR RENTALS RENTAL-HIRE-RENT A CAR-AUTOVERMIETUNG-MIETWAGEN & Design, Is Likely To Cause Confusion, Mistake And/Or Deception With Petitioner's Mark, ECONOMY RENT-A-CAR.**

There is a strong, indeed inevitable, likelihood of confusion between Petitioner's common law mark and the registered mark of the Respondent. The assessment of such likelihood of confusion is to be determined by weighing those factors set forth in *In re E.I. Du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973), for which there is evidence. *In re Majestic Distilling Co.*, 315 F.3d 1311, 1315, 65 U.S.P.Q.2d 1201, 1203 (Fed. Cir. 2003). The weight to be accorded to any of those factors depends, however, on the circumstances of the particular case. See, *Jewelers*



*Vigilance Committee, Inc. v. Ullenburg Corp.*, 853 F.2d 888, 893, 7 U.S.P.Q.2d 1628, 1632 (Fed. Cir. 1988).

### **(Strength of Petitioner's Mark)**

Petitioner submits that the term ECONOMY, when used as part of the ECONOMY RENT-A-CAR mark, is reasonably strong from a conceptual and commercial standpoint—at least in the field of vehicle rental services.

In terms of “conceptual strength”, Petitioner’s mark is placed on a spectrum ranging from the arbitrary to the generic. While “Rent-A-Car” is certainly a descriptive phrase, “Economy” is at least a “suggestive” term that deserves protection.<sup>22</sup> Respondent has admitted as much. See, NOR (TTABVUE No. 38), at Admission Request 73.

There has been no evidence produced in the proceeding to indicate that the term “ECONOMY” was adopted in a crowded field of third party marks using that word with, or without other words, for rental car services. Likewise, there has been no evidence (or testimony) presented in this case to indicate that “ECONOMY” forms part of any third party marks in the field of rental car services.<sup>23</sup> Respondent has admitted

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<sup>22</sup> Petitioner notes that its Licensor’s federal registration for ECONOMY RENT-A-CAR (Reg. No. 3,786,010) has been registered on the Principal Register in the U.S. Patent and Trademark Office (“PTO”) without a requirement that Petitioner demonstrate secondary meaning under Section 2(f). That registration is at the very least evidence that the term “Economy” is suggestive.

<sup>23</sup> The only evidence of third party usage of “Economy” as part of marks for vehicle rental services were unauthorized uses objected to by Bob Martyn and which were discontinued in response to those objections. See Martyn Testimony (TTABVUE No. 43), at pp. 39, line 4 to p. 43, line 8 and Trial Exhibits 34 and 35 thereto.

that it is unaware of any person or company using “Economy” as, or as part of, a service mark for the rental of vehicles in California apart from itself and Petitioner. See Petitioner’s NOR (TTABVUE No. 38), at Admission Request No. 83. Accordingly, Petitioner’s mark, at least with regard to the term “Economy”, should be viewed as “suggestive” and sufficiently distinctive to warrant protection under Section 2(d) of the Lanham Act.

With regard to the “commercial strength” of the asserted mark, Petitioner has presented evidence establishing twenty years of continuous use of the ECONOMY RENT-A-CAR mark in connection with vehicle rental services, including the continuous promotion of that mark via various printed advertisements. See Martyn Testimony (TTABVUE No. 42 and 43), Exhibits 2 through 33. The two-decade duration of use of a mark asserted by Petitioner herein is clearly relevant to the commercial strength analysis.

In view of the foregoing, the Board should find that Petitioner’s mark is reasonably “strong”—at least for car rental services in the Los Angeles, California area where both parties are using their respective marks to the same class of customers in the same area.<sup>24</sup> This is an area in which Petitioner, through its predecessor (and licensee), has continuously used and promoted the ECONOMY RENT-A-CAR mark for several decades and has taken successful steps to police third party use of similar marks in the vehicle rental field. See Martyn Testimony (TTABVUE No. 43), at p 39, line 4 to p. 43, line 8 and Trial Exhibits 34 and 35. That strength has since been increased and amplified through Petitioner’s own successful efforts in expanding the

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<sup>24</sup> See Petitioner’s NOR (TTABVUE No. 38), at Admission Request Nos. 60, 61 and 80.

promotion and usage of the ECONOMY RENT-A-CAR mark to other areas both in California and other states. See Muniz Testimony (TTABVue No. 40), at p. 11, lines 5-18; p. 31, line 23 to p. 32, line 15. Respondent has submitted no evidence to challenge the strength of Petitioner's mark.

### **(Similarity of Marks)**

The “predominant inquiry” in the likelihood of confusion analysis is the similarity *vel non* between the marks themselves. *Hewlett-Packard Co. v. Packard Press, Inc.*, 281 F.3d 1261, 62 U.S.P.Q.2d 1001 (Fed. Cir. 2002). Such a similarity of the marks is determined by comparing them in sound, appearance, meaning and connotation. *E.I. Du Pont de Nemours, supra* at 567. However, similarity in any one factor, by itself, can be sufficient to support a finding that the parties' marks are confusingly similar. See, *Trak Inc. v. Traq Inc.*, 212 U.S.P.Q. 846, 850 (TTAB 1981); accord, *In re White Swan, Ltd.*, 8 U.S.P.Q.2d 1534 (TTAB 1988). In addition, the parties' marks need not be identical for likelihood of confusion to be found—particularly when the marks themselves convey a similar commercial impression for identical services. *Hancock v. American Steel & Wire Co. of New Jersey*, 203 F.2d 737, 97 U.S.P.Q. 330 (CCPA 1953); *S.C. Johnson & Son, Inc. v. Drop Dead Co., Inc.*, 210 F.Supp. 816, 135 U.S.P.Q. 292 (S.D. Cal. 1962); see also, *Money Station, Inc. v. Cash Station, Inc.*, 70 F. 3d 1290, 38 U.S.P.Q.2d 1150 (Fed. Cir. 1995).

As discussed more fully below, this proceeding involves parties whose marks are used in connection with legally identical services, rendered to the same class of consumers in the same geographic area. Moreover, both parties' advertisements

promoting their respective marks are found in close proximity to each other on the internet.<sup>25</sup> Under such circumstances, the degree of similarity of the marks necessary to support a conclusion of a likelihood of confusion declines. *See, Century 21 Real Estate Corp. v Century Life of America*, 970 F.2d 874, 877, 23 U.S.P.Q.2d 1698, 1700 (Fed. Cir. 1992); *In re RiseSmart, Inc.*, 104 U.S.P.Q.2d 1931 (TTAB 2012). As noted by the Federal Circuit in *Bridgestone Ams. Tire Operations, LLC v. Fed. Corp.*, 673 F.3d 1330, 1337, 102 U.S.P.Q.2d 1061 (Fed. Cir. 2012): “Exact identity [of the marks] is not necessary to generate confusion as to source of similarly-marked products. *See Saxlehner v. Eisner & Mendelson Co.*, 179 U.S. 19, 33 (1900) (‘It is not necessary that every word of a trademark would be appropriated. It is sufficient that enough be taken to deceive the public in the purchase of a protected article.’).”

It is well-settled that in determining whether two marks are confusingly similar, the determination is not made by a side-by-side comparison of them; rather, federal courts have made it clear that the determination is made on the basis of whether an average consumer, on encountering one mark in isolated circumstances of the marketplace and having only a general recollection of the other mark, would be likely to confuse or associate the two marks. *See, Johann Maria Farina Gegenuber Deb Julichs-Platz v. Chesebrough Pond, Inc.*, 470 F.2d 1385, 176 U.S.P.Q. 199 (CCPA 1972); *American Auto Association v. AAA Insurance Agency, Inc.*, 618 F.Supp. 787, 792, 228 U.S.P.Q. 162 (W.D. Tex. 1985).

. The Board follows the same approach. *See, Baseball America, Inc. v. Powerplay Sports, Ltd.*, 71 U.S.P.Q.2d 1844, 1848 (TTAB 2004) (“The test is not whether the

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<sup>25</sup> See, Muniz Trial Testimony (TTABVUE No. 40), at p. 39, line 20 to p. 40, line 5.

marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their overall commercial impression that confusion as to the source of the goods or services offered under the respective marks is likely to result. The focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks.”).

The foregoing analytical approach is but a tacit recognition that the average consumer normally retains only a general, as opposed to a specific, impression of trademarks that he/she encounters. That imperfect recall, together with a purchaser’s fading memory over a period of time, are factors long recognized by the courts in analyzing marks for confusing similarity. See, for example, *Grandpa Pidgeons of Missouri, Inc. v. Borgsmiller*, 477 F.2d 586, 177 U.S.P.Q. 573 (CCPA 1973). As the Board has itself repeatedly observed: “Under actual market conditions, consumers do not have the luxury of a side-by-side comparison of the marks; and further, we must consider the recollection of the average purchaser, who normally retains a general, rather than a specific, impression of the many trademarks encountered. Thus, the purchaser’s fallibility of memory over a period of time must also be kept in mind.” *In re Universal Premium Acceptance Corp.*, 2003 WL 22102383 (TTAB 2003) (copy attached in Appendix J).

While purchasers who encounter the marks are apt to remember some of the obvious similarities (*e.g.*, the meaning conveyed by the marks and the fact that they both use “Economy” as the first word in those marks), customers are not likely to recall the background, geographical differences, or presence of descriptive/generic wording

in those marks. See generally, *Presto Products, Inc. v. Nice Pak Products, Inc.*, 9 U.S.P.Q.2d 1895, 1897 (TTAB 1988). This is particularly true where, as here, both marks incorporate highly descriptive words that follow the dominant and distinctive part of those marks (i.e., “Economy”). See *L’Oreal S.A. v. Marcon*, 102 U.S.P.Q.2d 1434 (TTAB 2004) (noting that purchasers are apt to focus on the non-descriptive portion of the marks to “identify, call for, or refer to the goods”).

Petitioner does not, of course, contend that the Board should ignore any part of the parties’ marks in comparing them for confusing similarity. However, the anti-dissection rule is not violated by initially viewing the component parts of the marks to determine whether some word or feature is apt to create a stronger impression on the consumer and be more likely to be remembered by him or her. See, *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 218 U.S.P.Q. 390 (Fed. Cir. 1983); accord, *Kangol, Ltd. v. KangaROOS U.S.A., Inc.*, 974 F.2d 161, 23 U.S.P.Q.2d 1945 (Fed. Cir. 1992). “[A] particular feature of a mark may be more obvious or dominant, and therefore, when determining likelihood of confusion, greater weight ought to be given to the force and effect of such a feature”). In this regard, “it is well settled that if a mark comprises both a word and a design, then the word is normally accorded greater weight because it would be used by purchasers to request the goods.” *In re Viterro Inc.*, 671 F.3d 1358, 1363, 101 U.S.P.Q.2d 1905 (Fed. Cir. 2012); *M.C.I. Foods, Inc. v. Bunte*, 96 U.S.P.Q.2d 1544 (TTAB 2010).

The Board long ago noted that “the general rule [is] that when a mark consists of a word and design, it is the word feature rather than the design which is more likely to be impressed upon a purchaser’s memory and to be utilized in calling for and

identifying the services.” *Amoco Oil Co. v. Amerco, Inc.*, 192 U.S.P.Q. 729, 735 (TTAB 1976); accord, *Anthony’s Pizza & Pasta International, Inc. v. Anthony’s Pizza Holding Co.*, 95 U.S.P.Q.2d 1271 (TTAB 2009); *In re Dakin’s Minatures, Inc.*, 59 U.S.P.Q.2d 1593, 1596 (TTAB 1999). The Board has also often noted that purchasers are inclined to focus on the first word or portion in a trademark or service mark. *Joel Gott Wines, LLC v. Von Gott, Inc.*, 2013 WL 5407313 (TTAB 2013) (copy attached in Appendix J); *L’Oreal S.A. v. Marcon*, *supra*; *Presto Products*, *supra*, 9 U.S.P.Q.2d at 1897; see also, *Palm Bay Imports, Inc. v. Veuve Clicquot Ponardin, Maison Fondee en 1772*, 396 F.3d 1369, 1372, 73 U.S.P.Q.2d 1689, 1692 (Fed. Cir. 2005) equating the first word in the multi-word mark as a “prominent feature” of that mark; *Century 21 Real Estate Corp. v. Century Life of America*, 23 U.S.P.Q.2d 1698, 970 F.2d 874, 876 (Fed. Cir. 1992) (observing that consumers, upon encountering the marks, “must first notice this identical lead word”).

Applying the foregoing to the marks at issue, Petitioner submits that the text portion of both service marks used by the parties are, without question, dominated by the lead word, “ECONOMY”. The remaining wording in both parties’ marks is either descriptive or generic.<sup>26</sup> The leading word “ECONOMY” in both parties’ marks is

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<sup>26</sup> Petitioner notes that such wording was “disclaimed” in Respondent’s registration. That disclaimer, however, has “no legal effect on the issue of likelihood of confusion”. *In re National Data Corp.*, 753 F.2d 1056, 1059, 224 U.S.P.Q. 749 (Fed. Cir. 1985). Moreover, the term “Economy” was not disclaimed in the two registrations obtained by Petitioner’s related company and licensor, Proveedores. See Respondent’s Notice of Reliance Exhibits 39 and 40 (TTABVUE 57 and 58)—perhaps bearing out the validity of the court’s comment that the PTO’s practice over the years in requiring disclaimers “has been far from consistent”. *Id.*, at 1059. In any event, the “marks are to be considered in a way in which they are perceived by the relevant public”. *In re Shell Oil Co.*, 992 F.2d 1204, 1206, 26 U.S.P.Q.2d 1687 (Fed. Cir. 1993). This includes the “disclaimed” portion of the parties’ marks. The fact that the

clearly the term that is most likely to visually resonate with customers and be remembered by purchasers of the parties' services. Indeed, that fact was borne out in the survey conducted by Hal Poret in this case.<sup>27</sup> In the Poret Survey, the Respondent's mark—as registered in the PTO—was tested against Petitioner's asserted common law mark. As reflected in the Poret Survey Report, 32% of the survey respondents believed that the marks of the parties were used by the same company and 35% of those respondents felt that the marks were used by companies that were affiliated with each other. See, Poret Testimony (TTABVue No. 41), at p. 27, lines 4-21; p. 32, lines 16-23; p. 34, lines 2-18; and Poret Ex. 3 (at p. 13) thereto. When asked what made them believe that the marks were used by the same company, 29% stated that the concurrent use of the name "ECONOMY" was the reason for their belief. See, Poret Testimony (TTABVue No. 41), at p. 27, line 22 to p. 28, line 17 and Poret Exhibit 3 (at p. 18). Thus, it is clear that the survey respondents focused on the term "Economy", as opposed to the descriptive wording and/or the design feature in Respondent's registered mark. This led Mr. Poret to conclude that the "net confusion rate of 35% is a particularly high level of confusion that suggests a

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term "Economy" in Petitioner's mark was not disclaimed indicates that it is the dominant portion of that unpled registered mark. See, *Citigroup Inc. v. Capital City Bank Group, Inc.*, 637 F.3d 1344, 1351, 98 U.S.P.Q.2d 1253 (Fed. Cir. 2011) ("...[W]hen a mark consists of two or more words, some of which are disclaimed, the word not disclaimed is generally regarded as the dominant or critical term.").

<sup>27</sup> See Poret Exhibit 3 (TTABVue No. 41) entitled "Expert Report Of Hal Poret On Survey To Measure Likelihood Of Confusion Between The Use Of The Mark Economy Rent-A-Car And The Mark Economy Rent-A-Car Rentals Rental-Hire-Rent A Car-Autovermietung-Mietwagen (With Design)", dated March 2013 (hereinafter referred to as "Poret Survey").



high degree of similarity of the marks in the perceptions of relevant consumers.” *Id.*, Poret Exhibit 3, at p. 20 and Poret Testimony, at p. 34, lines 2-18.

The non-rebutted evidence in this case demonstrates that “ECONOMY” is the dominant part of the mark used by both parties and it is the portion of the mark that consumers are most likely to recall. Moreover, the design feature employed by the Respondent made little or no impact on the survey respondents in reaching their conclusion as to source, connection or affiliation between these parties.

Accordingly, Petitioner submits that the marks of the parties are to be deemed confusingly similar for purposes of ascertaining a likelihood of confusion in this case. Moreover, Respondent has introduced absolutely no evidence to even challenge the claimed likelihood of confusion between the marks at issue herein and has thereby conceded that such confusion will likely occur in the marketplace.

### **(Similarity of Services)**

Where “the services are identical, the degree of similarity necessary to support a conclusion of likelihood of confusion declines.” *In re Dixie Restaurants*, 105 F.3d 1405, 1408, 41 U.S.P.Q.2d 1531 (Fed. Cir. 1997). In the present case, there can be no doubt that the services rendered by the parties under their respective marks are essentially identical. The registration at issue herein sets forth the following services: “Transportation by car, organization of travel [and arranging travel tours], car rental services”.<sup>28</sup> Such services are essentially identical to the rental car services provided by Petitioner, as well as Petitioner’s predecessor. Not only do both parties provide

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<sup>28</sup> The service of “arranging travel tours” was deleted by Respondent from its registration during the course of this proceeding after it admitted that it had never rendered such a service in the U.S.

services relating to “car rental”, they do so in the same geographic locale. See, NOR (TTABVue No. 38), Admission Request Nos. 61, 62 and 63. To the extent that Respondent contends that “organization of travel” pertains to car reservation services, that is also a service directly related to “car rental”.

Accordingly, the “similarity of services” *Du Pont* factor weighs heavily in favor of Petitioner’s position and its claim of likelihood of confusion under Section 2(d) of the Lanham Act. As already noted, when the parties’ services are factually and legally identical, the necessary degree of similarity between their respective marks necessary to support a finding of likelihood of confusion then declines. *In re Viterra, supra*, 671 F.3d at 1363. Moreover, that similarity in the parties’ competitive services coupled with the similarity between the marks themselves should certainly be more than sufficient to warrant the finding of a “likelihood of confusion” in this case. Significantly, Respondent has not challenged such a proposed finding by introducing any rebuttal evidence on that issue.

#### **(Trade Channels & Class of Purchasers)**

There are no restrictions in Respondent’s registration relating to either trade channels and/or class of purchasers. Thus, it must be “presumed” that Registrant’s services move through the same channels and to the same class of purchasers as those of Petitioner. See, *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 1101, 192 U.S.P.Q. 24 (CCPA 1976); accord, *Citigroup Inc. v. Capital City Bank Grp., Inc.*, 637 F.3d 1344, 1356, 98 U.S.P.Q.2d 1253 (Fed. Cir. 2011).

Even without the above-noted “presumption”, Petitioner notes that Registrant has admitted that its services are promoted and offered to the general public in the Los Angeles area. See, NOR (TTABVUE No. 38), Admission Requests 60 and 61. Both parties also rely heavily upon their respective internet advertising to attract prospective customers and those advertisements, in the case of Google, are found on the same page. See Muniz Testimony (TTABVUE No. 40), at p. 39, line 20 to p. 31, line 5.

It is axiomatic that trademark laws protect all purchasers—from the most sophisticated to the least sophisticated—and likelihood of confusion must be determined from the perspective of the purchasing class (i.e., ordinary purchasers among the general public). See, *Ford Motor Co. v. Summit Motor Products, Inc.*, 930 F.2d 277, 293, 18 U.S.P.Q.2d 1417 (3d Cir. 1991). In the case *sub judice*, there is no evidence in the record that indicates that either party is somehow catering to a “sophisticated” class of consumers or otherwise limiting their respective rental car services to a particular trade channel. Accordingly, the confusion factors relating to both “purchaser class” and “purchaser sophistication” must be weighed in favor of Petitioner’s claims that there exists a likelihood of confusion between the parties’ marks.

#### **(Actual Confusion)**

A “likelihood of confusion”, rather than “actual confusion”, is the appropriate standard by which Board proceedings under Section 2(d) are ultimately determined. *Weiss Associates, Inc. v. HRL Associates, Inc.*, 902 F.2d 1546, 1549, 14 U.S.P.Q.2d 1840 (Fed. Cir. 1990). While Petitioner has not presented the testimony of a confused

U.S. consumer in this proceeding, it has presented the Poret Survey which does evidence an “actual confusion” regarding the parties’ marks. Such survey evidence has long been viewed as acceptable proof of actual confusion. See, *Mutual of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 400, 5 U.S.P.Q.2d 1314 (8th Cir. 1987) (noting that plaintiff “produced evidence of actual confusion in the form of a survey” which was considered appropriate “for surveys are often used to demonstrate actual consumer confusion”); see also, *Fortune Dynamic, Inc. v. Victoria’s Secret Brand Mgmt.*, 618 F.3d 1025, 1035, 96 U.S.P.Q.2d 1585 (9th Cir. 2010) (“survey evidence may establish actual confusion”); *Sara Lee Corp. v. Kayser-Roth Corp.*, 81 F.3d 455, 467, 38 U.S.P.Q.2d 1449 (4th Cir. 1996) (accepting surveys as evidence of actual confusion); *Woodsmith Publishing Co. v. Meredith Corp.*, 904 F.2d 1244, 1249 , 15 U.S.P.Q.2d 1053 (8th Cir. 1990) (“surveys are probably the most accurate evidence of actual confusion”); *Boston Athletic Ass’n. v. Sullivan*, 867 F.2d 22, 31 fn.9, 9 U.S.P.Q.2d 1690 (1st Cir. 1989) (“surveys are a valuable method of demonstrating actual confusion”); see also, *Conopco, Inc. v. May Dep’t. Stores, Co.*, 46 F.3d 1556, 1564, 32 U.S.P.Q.2d 1225 (Fed. Cir. 1994) (noting that actual confusion can be proven through “circumstantial evidence, *e.g.*, consumer surveys or consumer reaction tests”).

In this case and as already noted *supra*, the Poret Survey Report demonstrated that 32% of the survey respondents erroneously believed that the marks of the parties were used by the same company and 35% of those respondents felt that the marks were used by companies that were affiliated with each other. See, Poret Exhibit 3, at p. 13 (TTABVue No. 41). The extremely high percentage of net confusion led Mr.

Poret to opine that confusion between the parties' respective marks was "inevitable".<sup>29</sup> *Id.*, at p. 19. That level of confusion was three times what the Fourth Circuit observed in *Sarah Lee* to be evidence demonstrating a likelihood of confusion (and twice the amount that would show actual confusion "to a significant degree"). *Sara Lee, supra* 81 F.3d at 467; see also, *Miles Laboratories Inc. v. Naturally Vitamin Supplements Inc.*, 1 U.S.P.Q.2d 1445, 1457 (TTAB 1987) wherein the Board noted that surveys disclosing likelihood of confusion ranging from 11% to 25% "have been found significant" (emphasis added).<sup>30</sup>

In view of the foregoing, Petitioner has established not only actual confusion between the parties' marks, but also that such confusion is of a substantial (32%) and at such a significant level as to render it "inevitable". While Respondent could certainly have taken its own survey, it opted not to do so. Although Respondent had the opportunity to introduce evidence rebutting the inevitability of confusion between the marks, it elected not to do so. Finally, the Poret Survey, demonstrating actual

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<sup>29</sup> "The standard for finding an inevitability of confusion is 'an increment higher' than the standard for finding a likelihood of confusion." *Sunamerica Corp. v. Sun Life Ins. Co.*, 890 F.Supp. 1559, 33 U.S.P.Q.2d 1865 (N.D. Ga. 1994), *rev'd on other gds*, 77 F.3d 1325, 38 U.S.P.Q.2d 1065 (11th Cir. 1996). In the *Sunamerica* case, the court noted that levels of confusion "falling within the 25% to 50% range are viewed as excessive". 890 F.Supp. at 1580. The appellate court held that once such "inevitable confusion" was shown, any estoppel (in that case, "acquiescence") disappeared and the senior user's rights must be revived and relief determined without regard to the estoppel. 77 F.3d at 1334-35. This was, of course, a recognition that actual confusion trumps the defending party's rights (it is "paramount to any inequity caused the junior user"). *Id.*

<sup>30</sup> In the *Miles* case, the Board found a net confusion level of 29% to be "significant" when compared to likelihood of confusion survey results in other trademark cases. 1 U.S.P.Q.2d at 1456-57.

confusion among almost one out of every three respondents, has not been refuted or rebutted by any evidence or testimony in this proceeding.

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In summary, *ALL* of the relevant confusion factors articulated in *Du Pont* strongly support Petitioner's Section 2(d) claim of a likelihood of confusion between the parties' marks.<sup>31</sup> Respondent has not challenged that assertion with the introduction of any evidence or testimony that might refute the claim.

**D. Respondent Has Abandoned Use Of The Registered Mark ECONOMY CAR RENTALS RENTAL-HIRE-RENT A CAR-AUTOVERMIETUNG-MIETWAGEN & Design And Fails To Prove A Tacking Defense To Abandonment.**

Petitioner has alleged, by way of its Amended Petition For Cancellation, that Respondent abandoned its registered mark due to nonuse, with no intent to resume use of the mark. See, Amended Petition For Cancellation (TTABVUE 10), at ¶5. Petitioner's claim has since been completely established during the course of discovery in this proceeding.

As noted above, the only printed display of Respondent's marks in the United States is on its "Voucher Contracts,"<sup>32</sup> and Respondent has admitted that none of

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<sup>31</sup> It is also noteworthy that Respondent itself has previously claimed that the wording of the registered mark owned by Petitioner's related company, Proveedores, and used by Petitioner itself, is "exactly the same" and covers the "same goods and services" as set forth in Respondent's registered mark. See, NOR (TTABVUE No. 38), Admission Request 27.

<sup>32</sup> See, NOR (TTABVUE No. 38), Interrogatory Answer No. 28; Document Request Response No. 5.

those Voucher Contracts display its registered mark.<sup>33</sup> See, Petitioner's NOR (TTABVUE No.38), Admission Response No. 11 and Document Request Response Nos. 40 and 48. In addition, during its trial testimony period, Respondent introduced no *admissible* evidence to demonstrate or prove that it either is now using the mark "as registered" or that it used that registered mark in commerce at any time within the past decade. Accordingly, there is no *admissible* evidence of record that would rebut or refute Petitioner's claim that Respondent has ceased use of the registered mark, with no intent to resume use of the registered mark and, as such, the registered mark should be deemed abandoned.

Respondent's sole defense against Petitioner's claim of abandonment is its assertion that "*the legal equivalent of the Registered Mark is in use.*" Petitioner's NOR (TTABVUE No. 38), Admission Request No. 54. Respondent claimed that its services had been purchased by U.S. residents since 2004 – "*such services being offered and sold under a word-mark equivalent of Registrant's Mark*" and that those services were advertised on its web page "*using the legal equivalent of Registrant's Mark*" since early 2008. See, Petitioner's NOR (TTABVUE No. 38), Admission Request No. 9. Respondent also stated that the only documents it used or displayed for "car rental services" were the Voucher Contracts brought by its customers to the car rental service points of Respondent's subcontractors. See, Petitioner's NOR (TTABVUE No. 38), at Interrogatory Answer No. 28 and Document Request Response Nos. 5 and 48. However, Respondent then admitted that those Voucher Contracts displayed only "*the*

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<sup>33</sup> Respondent also has admitted that its subcontractors do not use the Respondent's mark as it was registered under Reg. No. 3,256,667. See, Petitioner's NOR (TTABVUE No. 38), Supplemental Response to Admission Request No. 38.

*legal equivalent*” of the registered mark, rather than the mark as it was actually registered under Registration No. 3,256,667. *Id.*, Document Request Supplemental Response No. 40; see also, Petitioner’s NOR (TTABVUE No 38), Document Request Response No. 48 admitting that Respondent had no Voucher Contracts displaying the mark as it was, or is, registered. In essence, Respondent seeks to “tack on” the use of its current mark to demonstrate that it has made ongoing use of the previously-registered mark in commerce. As the party asserting the legal doctrine of “tacking,” Respondent has the burden of proof to demonstrate that it applies in this proceeding. Respondent’s “tacking defense” fails because it cannot meet *its* burden of proof to demonstrate that the mark now in use is the legal equivalent of its registered mark.

**1) Respondent Has The Burden Of Proof To Demonstrate That It Can Tack On Use Of Its Current Mark To The Use Of Its Registered Mark**

Where, as here, a party seeks to rely on a current, but different, use of an earlier mark to avoid a finding of abandonment of that earlier mark, the party seeking to “tack on” its current use bears the burden to demonstrate that the mark in use is the “legal equivalent” of the earlier mark. *See Reynolds Consumer Products, Inc. v. Handi-Foil Corp.*, Civil Action No. 13-cv-214, 2014 WL 794277, \*4 (E.D. Va. Feb. 27, 2014) (copy attached in Appendix J); *see also Adventis, Inc. v. Consolidated Property Holdings, Inc.*, No. 7:02CV00611, 2006 WL 1134129, \*5 n.10 (W.D. Va. Apr. 24, 2006) (“The party seeking to tack bears the burden of proof.”) (copy attached in Appendix J); *Navistar Int’l Trans. Corp. v. Freightliner Corp.*, No. 96 C 6922, 1998 WL 1120389, \*4 (N.D. Ill Dec. 21, 1998) (placing the burden of proof on the party seeking to tack) (copy attached in Appendix J).



*Reynolds Consumers Products, supra*, is factually analogous and instructs that Respondent has the burden to prove its tacking defense. There, the defendant (Handi-Foil) asserted that the plaintiff (Reynolds) abandoned its registered mark when it began using that mark in an altered form. 2014 WL 794277, at \*2. Like the Respondent's arguments here, Reynolds did not dispute that it had altered its mark, but claimed that the registered mark was still "in use" by virtue of the altered current mark it was using in commerce. *Id.* The court found that Reynolds sought to "tack on" its current use of the mark to its prior use of the registered mark, and sought to invoke the legal doctrine of "tacking" as a defense to Handi-Foil's abandonment claim. *Id.* The federal court then held that Reynolds had the burden to prove that the defensive doctrine of tacking applied. *Id.*

Just like Reynolds, Respondent here seeks to "tack on" use of its current mark to its prior use of the registered mark as a defense to Petitioner's claim of abandonment. Accordingly, Respondent bears the burden of proof to demonstrate that tacking applies in this case.

**2) Respondent Has Not Met Its Burden Of Proof To Demonstrate That It Can Tack On The Use Of Its Current Mark To The Use Of Its Registered Mark.**

As noted above, whether Respondent can tack on the use of its current mark to the use of its earlier registered mark depends on whether or not the marks are the "legal equivalent." *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1159, 17 U.S.P.Q.2d 1866 (Fed. Cir. 1991). The test for legal equivalency is a stringent standard; a showing that the marks are "confusingly similar" is not enough. *Id.* Instead, a tacking claim will be successful only if the marks in question create "the

same, continuing commercial impression.” *Id.* Generally, tacking is allowed “only in rare circumstances.” *Id.* at 1160; *see also Adventis*, 2006 WL 1134129, at \*4 (“[t]acking...should be allowed in the exceptionally narrow instance where ‘the previously used mark is the legal equivalent of the mark in question or indistinguishable therefrom such that consumers consider both as the same mark...so that the subsequent mark serves the same identificatory function as the prior mark.’”) (quoting *Brookfield Comm’ns, Inc. v. West Coast Entm’t Copr.*, 174 F.3d 1036, 1047-48 (9th Cir. 1999)).

The “legal equivalent” mark that Respondent claims to have been using, and is now using, in connection with its car rental services is:



See, Petitioner’s NOR (TTABVUE No. 38), at Admission Response Nos. 54 and 96. Respondent has also admitted that customers “routinely refer to Respondent as ‘Economy Car Rentals’.” *Id.*, Admission Response No. 68.

The alleged “legal equivalent” mark removes all of the German language wording from the registered mark, namely “AUTOVERMIETUNG-MIETWAGEN” (as well as the descriptive wording “Rental-Hire-Rent A Car”). Thus, the question is whether the mark that Respondent has been using, and is now using, in connection with its rental car services is in both fact and law the “legal equivalent” of the prior registered mark. If it is not, then the registered mark has been abandoned for those services due to its long nonuse in the United States.

In determining whether one mark is the “legal equivalent” of another mark, evidence of “[a]necdotal or more broad-based evidence of consumer perception” provides probative evidence that the two marks impart the same, continuing commercial impression. *Adventis, supra*, 2006 WL 1134129, at \*5 n.10. “Whether two marks create the same continuing impression or are materially different is an issue viewed from the perspective of the consumer because it is the consumer’s conclusion that is material.” *Id.*, 2006 WL 1134139, at \*5; *see also Hana Financial, Inc. v. Hana Bank*, 135 St. Ct. 907, 910 (U.S. 2014) (“‘commercial impression’ ‘must be viewed through the eyes of a consumer’”) (quoting *DuoProSS Meditech Corp. v. Inviro Medical Devices, Ltd.*, 695 F.3d 1247, 1253 (Fed. Cir. 2012)); *Navistar*, 1998 WL 1120389, at \*4 (“Because the [tacking] inquiry is how consumers perceive the marks, there must be some evidence demonstrating those perceptions.”). Here, Respondent had a full and complete opportunity to obtain and present evidence of the consumer perception concerning its two marks (such as *via* customer testimony, focus group findings, a consumer survey, *etc.*) yet inexplicably failed to do so. As such, the Respondent has proffered no evidence whatsoever that any consumers would perceive its current altered mark and its earlier registered mark to impart the same, continuing commercial impression.

In determining whether the marks are “legal equivalents,” the Board may also compare the two marks visually and phonetically and determine whether the allegedly equivalent mark “creates the same, continuing commercial impression such that the consumer would consider them both the same mark”. *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 1347, 57 U.S.P.Q.2d 1807 (Fed. Cir., 2001). This side-by-side

analysis requires more than the two versions of a mark be “confusingly similar”. Instead, the previously used mark must actually be indistinguishable from the later used mark. As the court noted in *Van Dyne-Crotty, supra*, the two marks must create “the same continuing commercial impression” and the second version of a mark should not “materially differ or alter the character” of the original mark. 926 F.2d at 1159.

In *Van Dyne-Crotty*, the Federal Circuit held that the abridged mark CLOTHES THAT WORK was not the “legal equivalent” of the mark CLOTHES THAT WORK. FOR THE WORK YOU DO. The court rejected any notion that equivalency could be found simply because one version of the mark included a portion of the prior mark. The court concluded that consuming purchasers “would clearly differentiate” the two marks and affirmed the TTAB’s ruling that the marks were not legally equivalent.

Respondent may try to argue that both the old and new versions of its mark contain the same elements—namely, the words “Economy Car Rentals” and the design feature. However, the Board must consider and evaluate the “overall commercial impression” of both marks, rather than focusing simply on a portion of those marks. See, *Ilco Corp. v. Ideal Security Hardware Corp.*, 527 F.2d 1221, 188 U.S.P.Q. 485 (CCPA, 1976) (finding HOME PROTECTION CENTER was not the legal equivalent of HOME PROTECTION HARDWARE).

In the present case, the Respondent intentionally removed all of the German wording, as well as the descriptive wording “Rent A Car,” from its registered mark. Removal of that wording not only alters the visual and aural presentation of the mark, but also the foreign or German “connotation” conveyed by the registered mark. The

German words “AUTOVERMIETUNG” (car hire) and “MIETWAGEN” (rented car) clearly conveyed a commercial impression that the business associated with that mark was foreign or German in nature (as well as location). That information is, of course, completely lost in the newer abridged mark, rendering the newer unregistered version more general and expansive in nature. When an abridged mark is more general and expansive, and less informative, than the original mark, legal equivalency is lost. See, *Bell Inc. v. Bell Packaging Corp.*, Cancellation No. 92031904, 2004 WL 2368493, \*5 (TTAB 2004) (non-precedential) (BELL, INC. found not to be the legal equivalent of BELL PAPER BOX, INC.) (copy attached in Appendix J); see also, *American Paging, Inc. v. American Mobilphone, Inc.*, 13 U.S.P.Q.2d 2036 (TTAB 1989), *aff’d unpublished*, 17 U.S.P.Q.2d 1726 (Fed. Cir. 1990) (noting that even though AMERICAN MOBILPHONE and AMERICAN MOBILPHONE PAGING were “visually barely distinguishable, they are distinguishable when spoken” and one version was, in terms of connotation, more informative than, and hence legally different from, the other version).

The complete removal of the wording (particularly the German wording) from the registered mark unquestionably altered the appearance, pronunciation and connotation of the overall mark. Accordingly, there can be no doubt that such abridgement of the registered mark is a *material* alteration of it, thereby precluding a finding that both marks are “legal equivalents” of each other. Because they are not legal equivalents, there has been no use of the registered mark by the Respondent in connection with car rental services in this country for many years. Moreover, there is no evidence that Respondent ever intended to resume whatever use it might have

previously made of the mark in its registered form. A *prima facie* case of abandonment by the Respondent of its registered mark has, therefore, been established.<sup>34</sup> That abandonment of the mark, as it was registered, has not been rebutted by Respondent who has failed to carry *its* burden of demonstrating a permissible “tacking” of the abridged version of the registered mark.

## VII. CONCLUSION

Petitioner has established priority of use of its common law “Economy” service mark (and trade name) in the vehicle rental field. Likewise, it has demonstrated that there is a significant, indeed inevitable, likelihood of confusion between its common law ECONOMY RENT-A-CAR mark and the registered mark of Respondent. Moreover, Respondent has not challenged Petitioner’s contention that such confusion will inevitably result from the parties’ concurrent use of their respective marks.<sup>35</sup> Finally, Petitioner has also demonstrated that Respondent has abandoned through nonuse the registered mark sought to be cancelled in this proceeding and that claim has not been rebutted by any admissible evidence proffered by Respondent.

---

<sup>34</sup> In addition to the foregoing, it is questionable whether Respondent can even rely upon the doctrine of legal equivalency to maintain a mark registered under Section 66. As expressly set forth in Section 1609.02 in the Trademark Manual of Examining Procedure, the *IB’s Guide to the International Registration of marks under the Madrid Agreement and the Madrid Protocol* (2008), Para. BII. 69.02, provides that an International Registration cannot be amended in any way and “[i]f the holder wishes to protect the mark as recorded in any form which differs, even slightly, from the mark as recorded, he must file a new international application.”

<sup>35</sup> There is no evidence set forth in Respondent’s Trial Testimony or Notice of Reliance that even relates to, much less attempts to rebut, the Petitioner’s claim that there is a significant likelihood of confusion between the parties’ respective marks. Accordingly, that claim under 15 U.S.C. § 1052(d) should be viewed as conceded for the purposes of this Cancellation proceeding.

In view of the foregoing, the TTAB is respectfully requested to sustain the Petition For Cancellation and cancel Registration No. 3,256,667 accordingly.

Respectfully submitted,

Dated: Sept. 3, 2015

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***Counsel for Petitioner***

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing **PETITIONER ECONOMY RENT-A-CAR, INC.'S MAIN TRIAL BRIEF** was served this 3rd day of Sept., 2015, upon Respondent's counsel of record, *via* first class mail, postage prepaid, and email as identified below:

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\_\_\_\_\_  
/Melissa Alcantara/  
Melissa Alcantara



# Appendix A

## **Appendix A**

**Petitioner again objects to each of the following Exhibits submitted under Respondent's Notice of Reliance ("NOR") (TTABVUE 57 and 58):<sup>1</sup>**

### **Exhibits 36, 37 and 41**

Respondent's NOR Exhibits 36 and 41 were apparently obtained from the Wikipedia website and amount to hearsay in view of the purpose to which Respondent states that it intends to use such documents. Likewise, NOR Exhibit 37, obtained from LinkedIn, also constitutes hearsay for the purpose to which Respondent has stated that it intends to use the document. See, *American Optical Corp. v. American Olean Tile Co.*, 169 U.S.P.Q. 123, 124 (TTAB, 1971)(striking evidence submitted in a party's NOR because that evidence was being introduced not for what is shown on the face of the document, but rather for the truth of the matters contained within the document and, therefore, hearsay).

### **Exhibits 12, 15, 17 and 18**

All four of these exhibits were obtained by an unidentified person from the "Whols" website. In view of Respondent's NOR statement of how it intends to use such documents, they are being introduced into evidence for the truth of the statements contained therein, as opposed to what is shown on the face of the documents. Accordingly, this is an impermissible use of the NOR process and is objected to because of the obvious hearsay nature of the evidence. See, *American Optical, supra*.

### **Exhibits 21, 24 and 25**

These three exhibits were obtained from private websites and relate to a nonparty to this proceeding. As in the situation concerning Respondent's stated intent concerning the "Whols" web pages noted above, that party's intended use of these exhibits (*i.e.*, to somehow "show priority") is clearly being introduced for the truth of the statements contained therein, as opposed to showing what is on the face of the documents themselves. The use of these three exhibits, therefore, violates Fed. R. Evid. 802—which precludes written hearsay. Use of documents in a NOR in violation of the rule against hearsay is not permitted. *American Optical, supra*.

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<sup>1</sup> Petitioner's procedural objections to the Appendix A exhibits submitted with Respondent's Notice of Reliance was initially raised by way of Petitioner's timely Motion To Strike those exhibits. See TTABVUE No. 59. Respondent never responded to that Motion to Strike. While Petitioner's aforesaid motion should be deemed conceded, Petitioner nevertheless sets forth its substantive objections to a number of those exhibits and again requests the TTAB to give no consideration to them in this case.

### **Exhibits 13, 14, 16, 17, 19 and 20**

Respondent seeks to introduce into evidence documents allegedly setting forth historical information concerning use of certain websites and/or domain names. As set forth in Respondent's NOR, Respondent intends to use these exhibits at trial to show "priority (or lack thereof)[.]" In view of Respondent's intended use, the Exhibits are being introduced into evidence for the truth of the statements contained in the documents. The use of these documents/exhibits violates Fed. R. Evid., Rule 802 (which precludes evidence that constitute written hearsay). Use of documents in a NOR in violation of the rule against hearsay is not permitted. See *American Optical Corp., supra*.

### **Exhibits 26, 27, 28, 29 and 30**

Respondent seeks to introduce into evidence documents, including photographs, purportedly showing what a particular location looked like on a certain date. According to Respondent's NOR, it intends to use these exhibits at trial to show "priority (or lack thereof)[.]" In view of Respondent's intended use, the Exhibits are being introduced into evidence for the truth of the statements contained in the documents (*i.e.*, how the particular locations appeared on certain dates). This violates the rule against hearsay and, thus, the documents are inadmissible. See Fed. R. Evid. 802; see also *American Optical Corp., supra*.

### **Exhibits 22, 23, 24 and 25**

These four exhibits comprise corporate records and website printouts relating to the entity "Vote Power, Inc." According to Respondent's NOR, it intends to use these documents to show "priority (or lack thereof)[.]" "Vote Power, Inc." is not a party to this litigation nor is there any evidence that it owns, uses or somehow is authorized to use any mark containing the term, "Economy." Accordingly, Exhibits 22, 23, 24 and 25 are not relevant to the issue of which party has priority of use of the mark ECONOMY.

### **Exhibit 26**

Exhibit 26 is a document that contains several aerial photographs purportedly of the location at "7254 Sepulveda Blvd., Van Nuys, CA 91405." In view of Respondent's intended use of the document (*i.e.*, to show "priority (or lack thereof)"), the document is not relevant to any issue in this case.

### **Exhibits 36 and 37**

Exhibit 36 is an entry from the Wikipedia website for the "Nevada corporation." Exhibit 37 is a copy of the LinkedIn page for "Bob Thunell." In view of Respondent's intended use of the documents (*i.e.*, to "show the credibility (or lack thereof)" of Petitioner), the documents are not relevant to any issue in this case.

## **Appendix B**

## **Appendix B**

**Petitioner objects to each of the following Exhibits introduced during the trial testimony of Respondent's witness (Y. Kokologiannis):**

### **Exhibit 4**

This Brochure "was never distributed by or on behalf of Registrant in the United States." See response to Admission Req. No. 25 (Respondent's Answers To Petitioner's Second Request For Admissions), submitted under Exhibit D to Petitioner's Notice of Reliance (TTABVUE 38). Accordingly, the subject Brochure is not relevant to any issue in this proceeding within the meaning of Fed.R.Evid., Rule 401 and, as such, is inadmissible under Fed.R.Evid., Rule 402.

### **Exhibit 5**

There is no testimony or evidence that this alleged screenshot of a "prospectus" for a rental car company (known as "Pan Gosmio") in Crete was ever distributed in the United States by the Respondent. In addition, the screenshot does not depict the use of any mark or name at issue in this Cancellation proceeding. Accordingly, the subject document is not relevant to any issue in this proceeding within the meaning of Fed.R.Evid., Rule 401 and, as such, is inadmissible under Fed.R.Evid., Rule 402.

### **Exhibit 6**

Petitioner timely objected to this document. See, Kokologiannis Trial Testimony Transcript, at p. 165, submitted under Appendix F attached hereto. This document (an alleged reproduction of several different webpages from the Wayback Machine archive purportedly used previously at different times by Registrant) was not authenticated by competent testimony (and is not self-authenticating because it does not contain either a printout date or a URL). Accordingly, the document is not admissible under either Fed.R.Evid. 901 or *Safer, Inc. v. OMS Investments, Inc.*, 94 USPQ2d 1031 (TTAB, 2010); see also, *Calypso Technology, Inc. v. Calypso Capital Management, L.P.*, 100 USPQ2d 1213 (TTAB, 2011). Moreover, the Exhibit pertains to the rental of cars located only in Greece and there is no testimony that the webpages were even distributed within the United States on the dates indicated within the Exhibit. See Y. Kokologiannis Trial Testimony Transcript, at p. 53, line 16 to p. 54, line 6, submitted under Appendix F attached hereto. Indeed, Respondent testified that U.S. customers were not able to use the Economy Car Rentals website until years later in "early January 2009[.]" See Kokologiannis Trial Testimony Transcript, at p. 50, lines 3 to 12, submitted under Appendix F attached hereto. Accordingly, the subject document is not relevant to any issue in this proceeding within the meaning of Fed. R. Evid. 401, and it is inadmissible under Fed. R. Evid. 402. In addition, this document, while requested by Petitioner in discovery, was never produced by Respondent during discovery. See, Petitioner's Doc. Request No. 51 submitted under Appendix Exhibit H attached hereto. Finally, the document contains typewritten additions to it (by an unknown and

unidentified author) and such comments constitute hearsay under Fed.R.Evid. 801 and are precluded under Fed.R.Evid. 802.

#### **Exhibit 14**

Petitioner timely objected to this document. See, Kokologiannis Trial Testimony Transcript, at p. 165-66, submitted under Appendix F attached hereto. This document (an alleged reproduction of three prior webpage screenshots purportedly from one of Registrant's Affiliates) was not authenticated by competent testimony (and is not self-authenticating because it does not contain either a printout date or a URL). Accordingly, the document is not admissible under *Safer, Inc. v. OMS Investments, Inc.*, 94 USPQ2d 1031 (TTAB, 2010); see also, *Calypso Technology, Inc. v. Calypso Capital Management, L.P.*, 100 USPQ2d 1213 (TTAB, 2011). In addition, the screenshots carry with them the unidentified notations concerning a claim that they screenshots were "published in US" and that they evidence "authorization to use Registrant's Mark" is hearsay within the meaning of Fed.R.Evid. 801 and which is precluded under Fed.R.Evid. 802.

#### **Exhibit 15**

Petitioner timely objected to this document on the basis of hearsay. See, Kokologiannis Trial Testimony Transcript, at p. 166, submitted under Appendix F attached hereto. The document, which is incomplete because it appears to actually be part of another document, allegedly identifies subcontractor's United States rental stations previously used by Respondent. There is no testimony that would establish that the document would fall into any exception to the rule against hearsay. Accordingly, it is precluded under Fed. R. Evid. 802.

#### **Exhibit 20**

Petitioner timely objected to this document. See, Kokologiannis Trial Testimony Transcript, at p. 170, submitted under Appendix F attached hereto. This document, while requested by Petitioner in discovery, was never produced by Respondent during discovery. See, Petitioner's Doc. Request Nos. 51 and 62 submitted under Exhibit H attached hereto. It is well-settled that a party may not introduce documents or testimony on its behalf after having refused to make such information available to an adverse party seeking discovery of such information. *Shoe Factory Supplies Co. v. Thermal Engineering Co.*, 207 USPQ 517, 519 fn. 1 (TTAB 1980); see also, *Bison Corp. v. Perfecta Chemie B.V.*, 4 USPQ2d 1718, 1720 (TTAB 1987); *Nat'l Aeronautics & Space Administration v. Bully Hill Vineyards, Inc.*, 3 USPQ2d 1671, 1672 fn. 3 (TTAB 1987); *Era Corp. v. Electronic Realty Associates, Inc.*, 211 USPQ 734, 737 (TTAB 1981) ("a party ... is obligated to comply with an adversary's discovery request for the production of documents and cannot ... introduce as evidence in its behalf documents embraced within the request but which had not been furnished to the requesting party.").

**Exhibit 23**

Petitioner timely objected to this document. See Kokologiannis Trial Testimony Transcript, at p. 171, submitted under Appendix F attached hereto. This document (a partial reproduction of web pages from a prior version of Registrant's alleged website) was not authenticated by competent testimony (and is not self-authenticating because it does not contain either a printout date or a URL). Accordingly, the document is not admissible under *Safer, Inc. v. OMS Investments, Inc.*, 94 USPQ2d 1031 (TTAB, 2010); see also, *Calypso Technology, Inc. v. Calypso Capital Management, L.P.*, 100 USPQ2d 1213 (TTAB, 2011).

**Exhibit 25**

The document contains notations by Respondent's own counsel claiming that the document contains a listing of "links to internet promotions using Registrant's mark." Respondent presumably seeks to use the document to show the locations where it is purportedly using its mark. The content of the document, including counsel's hearsay notations therein, is hearsay within the meaning of Fed. R. Evid. 801 and, as such, is precluded under Fed. R. Evid. 802.

**REDACTED**

**Appendix C**

**Highly Confidential**



## **Appendix D**

## **Appendix D**

### **Wäxby Affidavit**<sup>2</sup>

Micael Wäxby alleges in his Affidavit that he is the CEO at SoftIT AB in Sweden, a company that has been providing information technology (IT) development and support services for Economy Car Rentals for the past 12 years. Wäxby purports to provide testimony on behalf of Economy Car Rentals concerning its IT investment for its U.S. business.

Petitioner objects to the following statement at Paragraph 6 of Wäxby's Affidavit:

Although it is not possible to quantify the exact amount specifically dedicated to IT systems for Economy Car Rentals' US business, I estimate that over the years 2007 through 2012, a total of at least 600,000 Euros has been spent by Emm. Kokologiannis & Sons S.A. with the purpose of enabling and improving its service to US customers under the ECONOMY CAR RENTALS trademark.

There is nothing in Wäxby's Affidavit that indicates that he has personal knowledge of the facts supporting that statement. Wäxby's Affidavit says nothing about how he calculated that "600,000 Euro" figure and his Affidavit fails to attach any documents to corroborate his estimate. This is significant since Wäxby states that "it is not possible to quantify the exact amount specifically dedicated to IT systems" for Economy Car Rentals' US business. Accordingly, Petitioner objects to the statements within Paragraph 6 of the Wäxby Affidavit on the basis that they lack any foundation.

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<sup>2</sup> On April 17, 2015, the parties stipulated to the introduction of testimony of Micael Waxby by way of Affidavit. That stipulation, however, was expressly subject to the following limitation agreed to by both parties:

**Wäxby Affidavit**—"The parties agree that in entering this Stipulation, Petitioner has not waived, and does not waive, any evidentiary objection to the statements set forth in paragraph 6 of the attached Declaration based on lack of foundation, competency and/or failure of Respondent to disclose documents in discovery relating to the same" (emphasis added).

**REDACTED**

**Appendix E**

**Trade Secret / Commercially  
Sensitive**

## Appendix F

Page 5

1 Kokologiannis  
2 don't understand any question that I ask you,  
3 please just ask me to rephrase the question.  
4 As you know, there is a Greek  
5 translator seated next to you and she is here  
6 to assist you if you need any interpretation  
7 of the English language. We know that you do  
8 speak English, but if we get into any trouble  
9 in understanding, the interpreter is here to  
10 assist you.  
11 A. Okay.  
12 Q. If you need to take a break at any  
13 time, you're free to ask us to pause. I just  
14 ask that you wait until I have asked a  
15 question and you have answered the question  
16 before we break.  
17 A. Okay.  
18 Q. So we don't want to take a break  
19 while there's a question pending on the  
20 record. And these instructions go the same  
21 for Mr. Littlepage's cross examination after I  
22 finish.  
23 And the last thing is just as I ask  
24 questions, please wait until I've finished the  
25 entire question before you answer.

Page 6

1 Kokologiannis  
2 A. Okay.  
3 Q. Even if you can anticipate the rest  
4 of the question, just wait until I've finished  
5 because everything we say is being taken down  
6 by a court reporter and it's hard for her to  
7 take down what two people are saying at the  
8 same time.  
9 A. Okay.  
10 Q. And I'll do the same. As you  
11 answer, I'll make sure to wait until you have  
12 finished your answer until I ask the next  
13 question.  
14 A. Okay.  
15 Q. Please state your full name for the  
16 record.  
17 A. Aorgios Kokologiannis.  
18 Q. Have you ever been known by any  
19 other name?  
20 A. No.  
21 Q. What is your date and place of  
22 birth?  
23 A. September 12, 1965. Heraklion,  
24 Crete.  
25 Q. Are you currently employed?

Page 7

1 Kokologiannis  
2 A. Yes.  
3 Q. Who are you currently employed with?  
4 A. Excuse me?  
5 Q. What company are you employed with?  
6 A. (Through the Interpreter) Emmanouil  
7 Kokologiannis and Sons.  
8 Q. Just for ease, the court reporter is  
9 taking down a transcript. We can abbreviate  
10 Emmanouil Kokologiannis and Sons to EKS, if  
11 that's okay.  
12 A. No problem.  
13 Q. What business is EKS involved in?  
14 A. EKS makes hotel business, has car  
15 rental business and that's it.  
16 Q. What is your --  
17 A. Car rental, sorry. Car rental  
18 business physical and through Internet. A car  
19 rental search engine, car rental search  
20 engine.  
21 Q. And what is the difference between  
22 the physical car rental business and the  
23 search engine car rental business?  
24 A. The difference, the physical is we  
25 own -- we own some cars in our location in

Page 8

1 Kokologiannis  
2 Heraklion, Crete. The car rental search  
3 engine is we are -- we own every page because  
4 Economy Car Rentals and through this web page  
5 a user can find a car rental services  
6 worldwide, but we are not physical -- I mean,  
7 the user will not take the car from us  
8 physical, but it will take it through our car  
9 rental subcontractors.  
10 Q. Is it fair to say that one branch of  
11 the business actually rents physical vehicles  
12 to renters?  
13 A. Correct.  
14 Q. And the other branch of the business  
15 acts as an agent between the physical car  
16 renter and the customer?  
17 A. Yeah.  
18 MR. LITTLEPAGE: I'm going to  
19 object to the form of the question. I  
20 recognize that we've -- that the witness  
21 has difficulty with the -- speaking  
22 English as fluent as you or I, but I  
23 can't allow leading questions like this.  
24 MS. POLIDORO: I was just trying to  
25 summarize what he had said just in the

Page 13	Page 15
<p>1 Kokologiannis 2 don't think he knows he's not supposed 3 to ask me questions. Not that I mind, 4 but, you know, I just answered to be 5 nice. But I know. What I just said was 6 what was said. 7 MR. LITTLEPAGE: That's fine. 8 That's fine. 9 THE INTERPRETER: He wasn't sure 10 which role he's in and who goes like the 11 top portion. And I said usually the 12 plaintiff on top, the defendant or the 13 petitioner and the respondent, you know. 14 MR. LITTLEPAGE: That's fine. 15 THE INTERPRETER: Should I tell him 16 we are not supposed to talk freely? 17 MS. POLIDORO: He understands 18 English. It's okay. 19 I do apologize for that, but we 20 will get that corrected on the record. 21 THE WITNESS: No problem. 22 Q. Are you familiar with the nature of 23 EKS's business? 24 A. Yes. 25 Q. Are you a corporate officer of EKS?</p>	<p>1 Kokologiannis 2 car rental partners, subcontractors in the 3 platform so when the user puts one request to 4 find in this specific time for this specific 5 request the best possible deal with little 6 puts. I mean, that was the general idea. 7 Q. Does EKS own any trademark 8 registrations that relate to its search engine 9 company? 10 A. Yes. 11 Q. In which country has EKS registered 12 its trademark? 13 A. We have a trademark in Europe; 14 United States; Greece, of course; Canada; 15 Australia; New Zealand; Switzerland. I 16 think -- I don't remember, but many other 17 countries -- Japan. Since 2006. 18 MS. POLIDORO: I'm going to mark as 19 Respondent's Exhibit Number 2. 20 (Respondent's Exhibit 2, Service 21 Mark Principal Register, marked for 22 identification, as of this date.) 23 Q. You've just been handed a document 24 marked as Respondent's Number 2. Do you 25 recognize this document?</p>
Page 14	Page 16
<p>1 Kokologiannis 2 (The Interpreter translates.) 3 A. Yes. 4 Q. Can you describe the nature of EKS's 5 business -- I'm sorry. 6 MS. POLIDORO: Withdrawn. 7 Q. Can you describe the nature of EKS's 8 business with relation to the car search 9 engine function. So not the hotel and not the 10 physical car rental. 11 A. You want me to say all the story 12 from the beginning how it was or? 13 Q. No. I just want you to tell me in a 14 summary what the business model is for the EKS 15 search engine business. 16 A. Okay. The idea was to generate a 17 kind of online search engine platform for 18 users so to be possible for user to put one 19 request. And our platform, I mean our web 20 page to find for him the best possible deal 21 and economy-wise deal for his car rental. Not 22 necessary for a small or a cheap car. The 23 idea for Economy Car Rentals was even to find 24 a good deal or a luxury and prestige car. And 25 the idea was to put as more, as more possible</p>	<p>1 Kokologiannis 2 A. Yes. 3 Q. What do you recognize it to be? 4 A. It's our official registered 5 trademark since 2006. 6 Q. Is this the trademark registration 7 for the United States? 8 A. Yes. 9 Q. And does this accurately depict the 10 trademark that EKS owns? 11 A. Correct. Yes. 12 Q. Are you familiar with the use of the 13 EKS trademark? 14 A. Yes. 15 Q. Where is the EKS trademark used? 16 (The Interpreter translates.) 17 A. In which countries you are speaking 18 about, for which countries or for in which? 19 Q. I'm sorry. 20 How is the EKS trademark used? 21 (The Interpreter translates.) 22 A. We are using this trademark in many 23 places, in our social media, in our web page 24 and to check out we have a place where we 25 speak about it. In a lot of resellers</p>

<p style="text-align: right;">Page 21</p> <p>1 Kokologianis</p> <p>2 A. This is a big story now. I have to</p> <p>3 speak about why, how we have decide to use</p> <p>4 Economy Car Rentals as a trade name.</p> <p>5 Q. Yes. And why this trademark as</p> <p>6 well. We can just start with why is Economy</p> <p>7 Rentals the trade name?</p> <p>8 A. When we have start this physical car</p> <p>9 rental business back in 1992 with my brother</p> <p>10 we have noticed that many customers were have</p> <p>11 searched for a car rental, they have come to</p> <p>12 us face-to-face and they have spoken about</p> <p>13 economy rental car deal. So when they have</p> <p>14 speak about economy, they didn't really mean a</p> <p>15 cheap. They could mean a good deal even for a</p> <p>16 prestige or a luxury car. So we have put idea</p> <p>17 that the term "economy" combination with car</p> <p>18 rental services it might be a good name for</p> <p>19 car rental business. So we have got the idea</p> <p>20 to use this Economy Car Rentals.</p> <p>21 Q. Okay.</p> <p>22 A. More or.</p> <p>23 Q. Okay. So the idea for the name</p> <p>24 Economy Car Rentals --</p> <p>25 MS. POLIDORO: Withdrawn.</p>	<p style="text-align: right;">Page 23</p> <p>1 Kokologianis</p> <p>2 Car Rentals" apply to, what business?</p> <p>3 A. This is for our online web search</p> <p>4 engine for car rental services where we are</p> <p>5 not physical, the car rental. I mean, it's</p> <p>6 what I have explained before, that the user</p> <p>7 can find economy-wise car rental deal</p> <p>8 worldwide through our car rental partner's</p> <p>9 subcontractor.</p> <p>10 Q. Is the search engine company called</p> <p>11 Economy Car Rentals?</p> <p>12 A. Yes.</p> <p>13 MS. POLIDORO: Please mark this as</p> <p>14 Exhibit 4.</p> <p>15 (Respondent's Exhibit 4, two-page</p> <p>16 document titled Exhibit 1, marked for</p> <p>17 identification, as of this date.)</p> <p>18 Q. I'm showing you a document that's</p> <p>19 been marked as Respondent's 4. Do you</p> <p>20 recognize this document?</p> <p>21 A. Yes.</p> <p>22 Q. What do you recognize it to be?</p> <p>23 A. This is one of our prospectus in</p> <p>24 1994 actually we have done this. 1992 we have</p> <p>25 start this Pan Gosmio rental business in</p>
<p style="text-align: right;">Page 22</p> <p>1 Kokologianis</p> <p>2 Q. Does the name "Economy Car Rentals"</p> <p>3 apply to one or both of EKS's car rental</p> <p>4 businesses?</p> <p>5 A. One.</p> <p>6 Q. Which one?</p> <p>7 A. To Economy Car Rentals. Also the</p> <p>8 term "Economy" it is in globally. Sorry, no.</p> <p>9 Our physical car rental in Crete where we have</p> <p>10 start 1992 has a trade name Pan Gosmio</p> <p>11 Rent-A-Car.</p> <p>12 Q. Do you mind spelling that for the</p> <p>13 court reporter.</p> <p>14 A. P-a-n G-o-s-m-i-o.</p> <p>15 This physical car rental is still</p> <p>16 today under operation. And on the first years</p> <p>17 when we have start this physical car rental</p> <p>18 business in Crete and after our experience</p> <p>19 from users why customers coming to us with</p> <p>20 searching for economy car rental, we have used</p> <p>21 the term in our prospects for Pan Gosmio and</p> <p>22 we have let out the term "economy." So we</p> <p>23 have use the name "Pan Gosmio Rent-A-Car</p> <p>24 Economy."</p> <p>25 Q. What does the trade name "Economy</p>	<p style="text-align: right;">Page 24</p> <p>1 Kokologianis</p> <p>2 Crete. This is in the -- about middle of</p> <p>3 1990s. And this is our prospect advertising</p> <p>4 our cars, and here is we have start to use the</p> <p>5 term "economy."</p> <p>6 Q. When you say "prospectus," what do</p> <p>7 you mean? What is the prospectus for Pan</p> <p>8 Gosmio?</p> <p>9 A. This is now the cover of the</p> <p>10 prospectus. I mean, the back -- this is the</p> <p>11 back, the last page, and this is the front</p> <p>12 page.</p> <p>13 Q. You're indicating the left side of</p> <p>14 the picture is the back and the right side is</p> <p>15 the front?</p> <p>16 A. Inside was, you know, advertising</p> <p>17 our cars. Many cars, small cars and luxury</p> <p>18 cars, sue we -- SUV, sorry.</p> <p>19 THE INTERPRETER: I just asked what</p> <p>20 he was trying to say. Sorry.</p> <p>21 A. Yeah, SUV. Prestige cars, mini</p> <p>22 buses. But outside you can see that we use</p> <p>23 the term "Economy" and before Internet period.</p> <p>24 I mean, during this -- I don't know about</p> <p>25 Internet when we have start to use this term</p>



<p style="text-align: right;">Page 49</p> <p>1 Kokologiannis 2 would be V-a-n-g-u-a-r-d? 3 A. Correct. 4 This is a huge U.S. company where 5 they belong Enterprise Car Rental, National 6 Car Rental, Alamo Car Rental. So we have make 7 a contract with this company. We have make a 8 contract with Dollar, we have make a contract 9 with Thrifty, we have make a contract with 10 Europe Car, we have make a contract with 11 Advantage, we have make a contract with Six -- 12 all this companies that I am saying now are 13 physical located in the 50 United States, the 14 50 states of United States. And many smaller 15 ones like Miami Cars is located just in Miami. 16 Green Motion and many others. I don't 17 remember now. I mean, there are many. Must 18 be about 20. 19 Q. Prior to 2009 were your services to 20 U.S. customers limited to providing cars in 21 other countries? 22 A. Correct. 23 Q. After 2009 you were also able to 24 provide cars to U.S. customers or worldwide 25 customers in the U.S.; is that correct?</p>	<p style="text-align: right;">Page 51</p> <p>1 Kokologiannis 2 We have had relationships by making business 3 since the first moment, since 2004. And we 4 have advertise a lot for reaching U.S. 5 customers for rentals every, I mean worldwide. 6 Greece, Europe, Germany, everywhere, 7 Australia. Plus, the relationship that we 8 have with a lot of resellers that are located 9 in the United States, U.S. companies. 10 Q. I'm going to hand you a document 11 that's marked Respondent's Number 7. 12 Do you recognize this document? 13 A. Yes. 14 Q. What do you recognize it to be? 15 A. I see here in the highlights, for 16 example, that it is Los Angeles included. We 17 offer here rentals in Los Angeles. Meaning 18 that I don't know where is the snapshot, but I 19 see that here we have already started with 20 rental locations in the United States. 21 Q. Does Exhibit 7 accurately reflect 22 the Economy Car Rental's website as it appears 23 today? 24 A. Not really. Slight difference. We 25 are working in the web page every day, you</p>
<p style="text-align: right;">Page 50</p> <p>1 Kokologiannis 2 A. Very correct, yes. 3 Q. When did the ECR website go live or 4 was it active in the United States? 5 A. I didn't have understood the 6 question. 7 Q. Okay. 8 Do you recall when the ECR website 9 was able to be used by U.S. customers or 10 worldwide customers to book cars in the U.S.? 11 A. From early -- from January, early 12 January 2009. 13 MS. POLIDORO: Please mark that 14 Respondent's 7. 15 (Respondent's Exhibit 7, two-page 16 document titled Exhibit 6, marked for 17 identification, as of this date.) 18 THE WITNESS: May I say something 19 more here or not? 20 Q. Are you adding to the question that 21 I just asked? 22 A. Yes. 23 Q. Okay. 24 A. That means that we have not had 25 relationships with United States before this.</p>	<p style="text-align: right;">Page 52</p> <p>1 Kokologiannis 2 know, so it looks like, but not exact like. 3 Q. Does the Economy Car Rental 4 trademark appear on the website? 5 A. Yes. I mean, it is a simplified 6 version because as I have told you, the web 7 designer has had some problems and he has make 8 a simplified version of our, of our official 9 registered trademark, and that's what we used 10 here. 11 Q. When you first started the business, 12 ECR, was the trademark displayed on the 13 website? 14 A. On the first beginning you mean? 15 Q. Yes. 16 A. Because of this space problems that 17 the web designer has had, in many places we 18 have used the simplified version, but in 19 other -- in a lot of other places we have used 20 the trademark, the full trademark. 21 MR. LITTLEPAGE: I'm going to 22 object to that, the question and the 23 answer. I think to the extent that 24 you're asking the witness to testify as 25 to a particular document, I think the</p>



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1 Kokologiannis  
2 document is the best evidence there.  
3 MS. POLIDORO: Okay. Objection is  
4 noted.  
5 Q. When you first started the website  
6 in 2004, was the simplified version or --  
7 A. The simplified version because of  
8 the web designer has had problems, space  
9 problems to fit the full paper, we have used a  
10 simplified versions. But in many affiliation  
11 sites, in our all media sites, in some  
12 vouchers we have used the full version.  
13 Q. And we're just speaking about the  
14 websites now.  
15 A. Yeah.  
16 Q. So just I'm going to refer you to  
17 Exhibit Number 6.  
18 A. Yes.  
19 Q. Which is the one before this?  
20 A. Yes.  
21 Q. So number 6 and page 1, the first  
22 page.  
23 A. Yes.  
24 Q. Exhibit Number 6, page 1 depicts the  
25 Economy car website in 2004.

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1 Kokologiannis  
2 A. Yes.  
3 Q. And exhibit -- when it was only  
4 renting cars that were physically located in  
5 Greece?  
6 A. Yes. Correct.  
7 Q. And Exhibit Number 7 depicts the  
8 website when its renting cars that are  
9 depicted in the United States?  
10 A. Yes.  
11 Q. Is the Economy Rental Cars trademark  
12 displayed the same way?  
13 A. Not really. I mean, when you check  
14 the car, for example, it looks from the left,  
15 here we did not get the trademark, but more or  
16 less we are still using the same cartoon of  
17 the car, the same letters, the same colors.  
18 And on the -- on this, on this exhibit it's  
19 the same only difference is the car is looking  
20 from the right.  
21 Q. So there are some slight differences  
22 to the trademark?  
23 A. Yes.  
24 Q. In 2004 you had -- when you referred  
25 to Exhibit 6, you had said at that time that

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1 Kokologiannis  
2 you did not have a trademark.  
3 When did you decide to register your  
4 trademark?  
5 A. Because this idea that we have had  
6 with this car rental search engine was going  
7 very well. We have faced problems with  
8 opportunities that they have tried to get  
9 advantage of similar idea of this, as I have  
10 told you before. So we have feel very unsafe  
11 and we have ask a Greek counsel --  
12 THE INTERPRETER: Attorney.  
13 Advisor.  
14 A. Attorney, advisor when we have been  
15 there speaking about the problems and she has  
16 advised that the solution --  
17 Q. I'm just going to caution you when  
18 you speak about your conversations with an  
19 attorney, please do not tell me what you said  
20 or what advice your attorney gave you because  
21 that is privileged information.  
22 A. Okay. Sorry.  
23 Q. So you can tell me that you spoke  
24 with an attorney and actions you may have  
25 taken after, but just don't tell me the

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1 Kokologiannis  
2 substance.  
3 A. Okay. We have spoken. We have  
4 found one attorney. We have spoken with her  
5 and we have decided to go for a trademark in  
6 Europe, in Greece, worldwide and including  
7 United States.  
8 Q. And do you remember what the  
9 attorney's name was who you spoke with?  
10 A. Mrs. Nandia Kaprulli.  
11 Q. Is Ms. Kaprulli a Greek attorney or  
12 a United States attorney?  
13 A. A Greek.  
14 Q. Do you know if Ms. Kaprulli  
15 specializes in United States trademark law?  
16 A. No, she does not.  
17 Q. I'm just going to refresh your  
18 recollection with Exhibit Number 2, 2-A, which  
19 is the trademark registration. It's in the  
20 beginning of your pile.  
21 A. Yes.  
22 Q. Exhibit 2-A depicts the trademark in  
23 its entirety and how it's registered in the  
24 United States.  
25 A. Correct.

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1 Kokologiannis  
2 (Discussion off the record.)  
3 MR. LITTLEPAGE: I object to  
4 Exhibit 6 which purports to be a series  
5 of screen shots, none of them containing  
6 a URL or printout date as required by  
7 the Safer decision. Also, to the extent  
8 that they were not produced in  
9 discovery, it was objected to on that  
10 basis. The text of each page above the  
11 purported screen shots is objected to on  
12 the basis of hearsay.  
13 MS. POLIDORO: Objections are noted  
14 and --  
15 MR. LITTLEPAGE: I'm not done.  
16 MS. POLIDORO: Oh, okay.  
17 MR. LITTLEPAGE: I object to  
18 Exhibit 7 only to the extent that the  
19 format was not produced in discovery.  
20 I object to Exhibit 12 because it  
21 did not -- that document does not  
22 contain a URL or printout date, and so I  
23 object to not only the document but the  
24 testimony concerning that document.  
25 With regard to Exhibit 14, which,

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1 Kokologiannis  
2 apparently, is an affiliate website, I  
3 object to both the exhibit and the  
4 testimony concerning that exhibit. The  
5 exhibit itself does not contain a URL or  
6 printout date as required by Safer for  
7 any screen shots.  
8 I object to Exhibit 15 on the basis  
9 that it constitutes written hearsay.  
10 I object to Exhibit 18. Exhibit 18  
11 is a chart that was specifically and  
12 expressly withdrawn by former counsel,  
13 and upon withdrawing that exhibit  
14 counsel for the registrant refused to  
15 answer any questions as to how it was  
16 prepared or any of the data upon which  
17 it was based. Having withdrawn that  
18 document, it constitutes an improper  
19 summary.  
20 THE WITNESS: I don't understand.  
21 MS. POLIDORO: Mr. Littlepage, did  
22 you want to reserve your objections for  
23 the trial briefs? I know you said you  
24 were in a rush to leave and the witness  
25 is here to be cross-examined. And I

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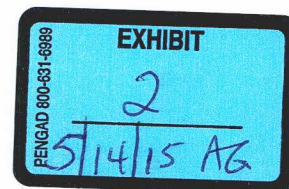
1 Kokologiannis  
2 don't know if this is really the proper  
3 method.  
4 MR. LITTLEPAGE: Well, it's  
5 required by the rules, objections at the  
6 close of direct examination.  
7 MS. POLIDORO: Okay. You did make  
8 objections while the testimony was being  
9 taken.  
10 MR. LITTLEPAGE: Not to all -- no,  
11 I didn't. Not to all these other  
12 exhibits.  
13 THE WITNESS: This is lawyer --  
14 MR. LITTLEPAGE: Just lawyer stuff.  
15 THE WITNESS: I don't understand  
16 anything. I don't know if it matters.  
17 MS. POLIDORO: Mr. Littlepage isn't  
18 asking questions. He's making his  
19 objections to your testimony on the  
20 record. So this isn't something you  
21 need to respond to.  
22 THE WITNESS: I need to respond?  
23 MS. POLIDORO: You do not need to  
24 respond. If you would like to know what  
25 he's saying, you may just ask the

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1 Kokologiannis  
2 translator to repeat it.  
3 THE INTERPRETER: I didn't get a  
4 chance to tell him because I was going  
5 to wait.  
6 MS. POLIDORO: If Mr. Littlepage  
7 finishes his statement and you are going  
8 to translate, please just indicate and  
9 say I'm going to translate now and we'll  
10 pause.  
11 THE INTERPRETER: I think, right,  
12 that's what I was just going to say.  
13 Starting with chart 18 is when he wasn't  
14 understanding to my understanding, but I  
15 have to wait until he finishes because I  
16 don't want to talk at the same time.  
17 But if it's too long I'm not going to  
18 remember everything to say either.  
19 MS. POLIDORO: So we'll ask you  
20 just to speak slowly and let the  
21 translator translate.  
22 THE WITNESS: If you speak a bit  
23 slowly.  
24 THE INTERPRETER: I remember the  
25 content of chart 18 but --

<p style="text-align: right;">Page 169</p> <p>1 Kokologiannis 2 THE WITNESS: If you talk slowly. 3 MR. LITTLEPAGE: I usually talk 4 pretty slow. 5 Exhibit 19 I object to on the 6 basis -- 7 MS. POLIDORO: If you can just 8 repeat Exhibit 18. The witness would 9 like to know what the objection is and 10 he did not understand. 11 MR. LITTLEPAGE: Exhibit 18 is a 12 line graph. 13 THE WITNESS: Yes, correct. This I 14 understand, yes. 15 MR. LITTLEPAGE: That document we 16 asked questions of your former counsel, 17 Sharon Gobatt. 18 THE WITNESS: Yes. Yes. 19 MR. LITTLEPAGE: I asked questions 20 concerning how that document was 21 prepared, what information was used to 22 prepare that type of document. She did 23 not answer any of my requests, and 24 instead said that she was withdrawing, 25 withdrawing that document.</p>	<p style="text-align: right;">Page 171</p> <p>1 Kokologiannis 2 mark in its full manner as opposed to 3 what the witness called a simplified or 4 simple manner or abridged manner. So we 5 object to Exhibit 20 including the 6 testimony about Exhibit 20. 7 We object to Exhibit 22, the 8 declaration on the basis of hearsay 9 which I had mentioned during the course 10 of the witness' testimony. 11 We object to Exhibit 23 on the 12 basis that it does not contain a URL or 13 a printout date as required by the board 14 under Safer. We object to Exhibit 24 on 15 the basis of hearsay. 16 Okay. That's -- that will be my 17 objections. 18 MS. POLIDORO: And Respondent 19 states with regard to the objections the 20 documents that were used during the 21 testimony today were all produced, 22 specifically with regard to Exhibit 20 23 the links that make up the exhibits that 24 were used in the deposition today were 25 produced in discovery. However, instead</p>
<p style="text-align: right;">Page 170</p> <p>1 Kokologiannis 2 THE WITNESS: Okay. But now I come 3 because I have produced this document. 4 MS. POLIDORO: There's no -- you 5 just listen to what he's saying. This 6 is not calling for any testimony. 7 THE WITNESS: Okay. Okay. 8 MR. LITTLEPAGE: The withdrawal was 9 made initially in a letter from counsel, 10 Ms. Gobatt. On June 1, 2013 it was 11 confirmed in the answer to document 12 request 92 and 93. 13 We object also to Exhibit 19 as an 14 improper summary. No underlying 15 documents or data were ever produced 16 despite counsel's request. 17 We object to Exhibit 20 which 18 pertained to the travel video website as 19 not being -- not having been produced 20 during the course of discovery. It was 21 certainly a document that had been 22 requested I know offhand in requests 45 23 and 62. 24 Also, admission number 98 confirms 25 that only Exhibit 30 showed use of the</p>	<p style="text-align: right;">Page 172</p> <p>1 Kokologiannis 2 of speaking to simply links we printed 3 out the actual pages. That is how I 4 respond. 5 MR. LITTLEPAGE: In rebuttal, 6 that's not a permissible approach under 7 the Safer decision. 8 MS. POLIDORO: And Respondent will 9 add as an additional exhibit the actual 10 pages that were produced in discovery 11 containing the links. 12 Just mark this as Respondent's -- 13 MR. LITTLEPAGE: Well, you can do 14 that, I guess, in your rebuttal. I 15 mean, it's now my turn to cross examine 16 the witness. 17 MS. POLIDORO: Okay. At the end 18 I'll go back and I'll revisit this. 19 Sure. Okay. 20 MR. LITTLEPAGE: Okay. That's 21 fine. 22 CROSS EXAMINATION BY 23 MR. LITTLEPAGE: 24 Q. Sir, now, during the course of your 25 testimony you discussed the voucher contracts</p>





Int. Cl.: 39

Prior U.S. Cls.: 100 and 105

United States Patent and Trademark Office

Reg. No. 3,256,667

Registered June 26, 2007

**SERVICE MARK  
PRINCIPAL REGISTER**



**ECONOMY CAR RENTALS**

RENTAL-HIRE-RENT A CAR-  
AUTOVERMIETUNG-MIETWAGEN

"EMMANOUIL KOKOLOGIANIS AND;  
SONS, SOCIETE ANONYME OF TRADE.; HO-  
TELS AND TOURISM S.A."; WITH THE BUSI-  
NESS TITLE "SCALA" "PANGOSMIO"  
(GREECE SOCIETE ANONYME)

AGIA PELAGIA  
HERAKLION P.C. 7150; CRETE  
GREECE

FOR: TRANSPORT BY CAR, ORGANIZATION OF  
TRAVEL AND ARRANGING TRAVEL TOURS, CAR  
RENTAL SERVICES, IN CLASS 39 (U.S. CLS. 100  
AND 105).

PRIORITY DATE OF 8-11-2005 IS CLAIMED.

OWNER OF INTERNATIONAL REGISTRATION  
0884096 DATED 11-29-2005, EXPIRES 11-29-2015.

NO CLAIM IS MADE TO THE EXCLUSIVE  
RIGHT TO USE ECONOMY CAR RENTALS REN-  
TAL-HIRE-RENT A CAR AUTOVERMIETUNG-  
MIETWAGEN, APART FROM THE MARK AS  
SHOWN.

THE COLOR(S) BLUE, BLACK, WHITE AND  
YELLOW ARE CLAIMED AS A FEATURE OF THE  
MARK.

THE COLOR YELLOW APPEARS IN THE WORD  
CAR AND IN THE DESIGN ELEMENT ON TOP OF  
THE CAR. THE COLOR BLUE APPEARS IN THE  
WORDS ECONOMY AND RENTALS AND IN THE  
CAR FIGURE. THE COLORS BLACK AND WHITE  
APPEAR IN THE CAR'S TIRES AND EYES. THE  
COLOR BLACK APPEARS IN THE WORDS REN-  
TAL-HIRE-RENT A CAR-AUTOVERMIETUNG-  
MIETWAGEN.

THE ENGLISH TRANSLATION OF THE WORD  
"AUTOVERMIETUNG" IS "CAR HIRE". THE ENG-  
LISH TRANSLATION OF THE WORD "MIETWA-  
GEN" IS "RENTED CAR"

SER. NO. 79-023,559, FILED 11-29-2005.

ERNEST SHOSHO, EXAMINING ATTORNEY

**REDACTED**

**Appendix G**

**Highly Confidential**

## Appendix H

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

---

**ECONOMY RENT-A-CAR INC.**

Petitioner,

v.

**EMMANOUIL KOKOLOGIANIS  
AND SONS, SOCIETE  
ANONYME OF TRADE,  
HOTELS AND TOURISM S.A.**

Respondent.

---

Cancellation No. 92055558

Registration No. 3256667

**PETITIONER'S SECOND REQUEST FOR  
PRODUCTION OF DOCUMENTS AND THINGS**

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Respondent is hereby requested to produce, for inspection and copying, at the offices of Dickinson Wright PLLC, 1875 Eye Street, NW, Suite 1200, Washington, DC 20006 within thirty-five (35) days from the date of this request, or at such other time or place as may be mutually agreed upon by the parties, the following documents and things. These requests are intended to be non-duplicative. To the extent that any document falls within the scope of more than one request for production, the document need only be produced once, but should be labeled or identified in response to each request.

To the extent that Respondent contends that any document requested is confidential, Petitioner agrees to receive such documents under the terms of the Protective Order that is already in place in this proceeding.

DOCUMENT REQUEST NO. 42:

All documents which evidence or support the claim by Registrant that it "conducted various business activities designed specifically to develop the United States market" "starting at least as early as 2003" (reference Registrant's Answer to Admission Request No. 12).

Answer:

DOCUMENT REQUEST NO. 43:

A true and correct copy of the "documentary evidence" possessed by, or under the control of, Registrant which Registrant claims support its claim of prejudice resulting from any delay by Petitioner in seeking cancellation of Registrant's Mark (reference Registrant's Answer to Admission Request No. 13).

Answer:



**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

\_\_\_\_\_  
ECONOMY RENT-A-CAR INC. )

Petitioner, )

v. )

EMMANOUIL KOKOLOGIANIS )  
AND SONS, SOCIETE )  
ANONYME OF TRADE, )  
HOTELS AND TOURISM S.A. )

Respondent. )  
\_\_\_\_\_

**Cancellation No. 92055558**

**Registration No. 3256667**

**PETITIONER'S THIRD REQUEST FOR  
PRODUCTION OF DOCUMENTS AND THINGS**

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Respondent is hereby requested to produce, for inspection and copying, at the offices of Dickinson Wright PLLC, 1875 Eye Street, NW, Suite 1200, Washington, DC 20006 within thirty-five (35) days from the date of this request, or at such other time or place as may be mutually agreed upon by the parties, the following documents and things. These requests are intended to be non-duplicative. To the extent that any document falls within the scope of more than one request for production, the document need only be produced once, but should be labeled or identified in response to each request.

To the extent that Respondent contends that any document requested is confidential, Petitioner agrees to receive such documents under the terms of the Protective Order that is already in place in this proceeding.

**DOCUMENT REQUEST NO. 51:**

To the extent that Registrant has used any advertisements, other than the webpage document produced in response to Petitioner's Document Request No. 6(b), to promote vehicle rental services in the United States, produce a true and correct copy of each such document.

**DOCUMENT REQUEST NO. 62:**

To the extent not previously produced in this proceeding, a true and correct copy of all documents (including all advertisements and promotional materials) ever distributed or displayed by or on behalf of Registrant to the general public in the United

States which show or display the Registrant's Mark as it was actually registered in the United States Patent and Trademark Office.

Date: December 7, 2012

**ECONOMY RENT-A-CAR INC.**

By:

  
Samuel D. Littlepage, Esquire  
Nicole M. Meyer, Esquire  
Melissa Alcantara, Esquire  
**DICKINSON WRIGHT PLLC**  
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***Counsel For Petitioner***

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

\_\_\_\_\_  
ECONOMY RENT-A-CAR INC. )

Petitioner, )

v. )

EMMANOUIL KOKOLOGIANIS )  
AND SONS, SOCIETE )  
ANONYME OF TRADE, )  
HOTELS AND TOURISM S.A. )

Respondent. )  
\_\_\_\_\_

**Cancellation No. 92055558**

**Registration No. 3256667**

**PETITIONER'S FOURTH REQUEST FOR  
PRODUCTION OF DOCUMENTS AND THINGS**

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Respondent is hereby requested to produce, for inspection and copying, at the offices of Dickinson Wright PLLC, 1875 Eye Street, NW, Suite 1200, Washington, DC 20006 within thirty-five (35) days from the date of this request, or at such other time or place as may be mutually agreed upon by the parties, the following documents and things. These requests are intended to be non-duplicative. To the extent that any document falls within the scope of more than one request for production, the document need only be produced once, but should be labeled or identified in response to each request.

To the extent that Respondent contends that any document requested is confidential, Petitioner agrees to receive such documents under the terms of the Protective Order that is already in place in this proceeding.

**DOCUMENT REQUEST NO. 70:**

All documents which support Registrant's claim of efforts to develop its business activities under Registrant's Mark in the U.S. prior to 2009.

**Answer:**

**DOCUMENT REQUEST NO. 71:**

All documents which support Registrant's claim of its investment efforts in the U.S. market in attempting to develop its business under Registrant's Mark in the U.S. prior to 2009.

**Answer:**

**DOCUMENT REQUEST NO. 84:**

Copies of all documents that demonstrate amounts spent "purchasing services from U.S. Companies" in an effort to develop Registrant's U.S. business, since 2006.

**Answer:**



**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

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ECONOMY RENT-A-CAR, INC. )

Petitioner, )

v. )

EMMANOUIL KOKOLOGIANIS )  
AND SONS, SOCIETE )  
ANONYME OF TRADE, )  
HOTELS AND TOURISM S.A. )

Respondent. )

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Cancellation No. 92055558

Registration No. 3256667

**PETITIONER'S SIXTH REQUEST FOR  
PRODUCTION OF DOCUMENTS AND THINGS**

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Respondent is hereby requested to produce, for inspection and copying, at the offices of Dickinson Wright PLLC, 1875 Eye Street, NW, Suite 1200, Washington, DC 20006 within thirty-five (35) days from the date of this request, or at such other time or place as may be mutually agreed upon by the parties, the following documents and things. These requests are intended to be non-duplicative. To the extent that any document falls within the scope of more than one request for production, the document need only be produced once, but should be labeled or identified in response to each request.

To the extent that Respondent contends that any document requested is confidential, Petitioner agrees to receive such documents under the terms of the Protective Order that is already in place in this proceeding.

**Document Request No. 94:**

A true and correct copy of each document (whether printed or electronically stored) used by, or on behalf of, Registrant to create the summary of Voucher Contracts set forth in Part 1 of Exhibit No. 31 (as shown in the attachment hereto).

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

<b>ECONOMY RENT-A-CAR INC.</b>	§	
	§	
Petitioner,	§	
	§	
v.	§	<b>Cancellation No. 92055558</b>
	§	
<b>EMMANOUIL KOKOLOGIANIS</b>	§	<b>Registration No. 3256667</b>
<b>AND SONS, SOCIETE</b>	§	
<b>ANONYME OF TRADE,</b>	§	
<b>HOTELS AND TOURISM S.A.</b>	§	
	§	
Respondent.	§	
	§	

**RESPONDENT'S RESPONSE TO PETITIONER'S SIXTH REQUEST FOR  
PRODUCTION OF DOCUMENTS AND THINGS**

Pursuant to Rule 34 of the Federal Rules of Civil Procedure, Respondent has been requested to produce, for inspection and copying, at the offices of Dickinson Wright PLLC, the following documents and things. Petitioner's Sixth Request for Production of Documents and Things comprises Request Nos. 91 through 97 inclusive.

To the extent that Respondent contends that any document requested is confidential, Petitioner agrees to receive such documents under the terms of the Protective Order that is already in place in this proceeding.

**I. DEFINITIONS**

Unless otherwise indicated in Respondent's answer to an individual document request, this response to Petitioner's request for documents is to be interpreted pursuant to the Definitions set forth in Petitioner's Second Request for Production of Documents and Things, with the following exceptions. Respondent objects to the provision of computer disks, diskettes, drives, drums, input memory, magnetic tapes, microfilm, microfiche, object computer code, any variety of read-only Memory (including but not limited to any ROM, PROM, EPROM, or EEPROM) whether in semiconductor chip form or otherwise; source computer code; and compiled, or otherwise produced or stored material from which the

**DOCUMENT REQUEST NO. 92:**

A true and correct copy of each document (whether printed or electronically stored) used by, or on behalf of, Registrant to create the graph of rental numbers shown in the initially-designated Exhibit No. 29 (as shown in the attachment hereto).

**Answer:**

Registrant has already stated, in its first supplemental response (December 28, 2012) to Petitioner's Document Request No. 43, that no documents were used by Registrant to create the graph of rental numbers shown in Registrant's initially-designated Exhibit 29. In any case, the initially-designated Exhibit 29 was withdrawn by Registrant in Registrant's second supplemental response to Petitioner's Second set of Document Requests (specifically, Document Request No. 43), served upon Petitioner's Counsel April 24, 2013. Consequently, the present Document Request No. 92 is moot.

**DOCUMENT REQUEST NO. 93:**

A true and correct copy of each document (whether printed or electronically stored) used by, or on behalf of, Registrant to create the calculation summary and graph set forth in replacement Exhibit No. 29 (as shown in the attachment hereto).

**Answer:**

Exhibit 29: Numbers of bookings by year, 2002 – 2012, for (1) Rentals to US Customers, and (2) Rentals in the US.

Registrant did not use any documents to create Registrant's Exhibit 29.

To create Exhibit 29, Registrant used electronically stored information (i.e. data), but it did not use electronically stored documents.

In response to the present Document Request No. 93, Registrant hereby produces its Exhibit 41, which explains how Exhibit 29 was created and shows how the numbers in its calculation summary were calculated. The graph set forth in replacement Exhibit 29 is simply a graphic representation, generated within the same Excel file, of the numbers in the calculation summary. Exhibit 29 is a PDF document made from an Excel file.

**REDACTED**

## **Appendix I**

**Commercially Sensitive / Highly  
Confidential**

## **Appendix J**

2006 WL 1134129

Only the Westlaw citation is currently available.

United States District Court,  
W.D. Virginia.ADVENTIS, INC., Plaintiff/  
Counterclaim-Defendant,  
v.CONSOLIDATED PROPERTY HOLDINGS,  
INC., et al., Defendants/Counterclaim-Plaintiffs.

No. 7:02CV00611. | April 24, 2006.

**Attorneys and Law Firms**James Robert Creekmore, The Creekmore Law Firm PLC,  
Daleville, VA.

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New York, NY, Kari Kristina Munro, Leclair Ryan Flippin  
Densmore, Roanoke, VA, Lance J. Lieberman, Martin B.  
Pavane, Cohen, Pontani, Lieberman & Pavane, New York,  
NY, for Counter Defendant.Scott Alan Harvey, Thompson Hine LLP, Washington, DC,  
for Counter Claimant.**MEMORANDUM OPINION**

TURK, Senior J.

\*1 The case is before the court on the plaintiff's motion for summary judgment and the defendants' cross-motion for summary judgment. The parties have filed supporting briefs and the court heard oral arguments on April 3, 2006. For the following reasons, the plaintiff's motion for summary judgment and the defendants' cross-motion for summary judgment are Denied.

**I.**

Adventis, Inc. ("Adventis"), filed this civil action against Consolidated Property Holdings, Inc. ("CPHI") and its subsidiary, Big Lots, Inc. ("Big Lots"). Adventis's amended complaint charges the defendants with federal trademark infringement under the Lanham Act, 15 U.S.C. § 1125(a)(1)(A) and common law trademark infringement. The defendants filed a counterclaim charging the plaintiff with federal trademark infringement under the Lanham Act, false designation of origin (commonly referred to as unfair competition), trademark dilution, and common law trademark infringement and unfair competition. The parties stipulated that the likelihood of confusion existed between the plaintiff's United States Patent and Trademark Office ("USPTO") applied-for mark 78069918 ("918 mark"), and the defendants' USPTO applied-for mark 76305489 ("489 mark") and USPTO registered mark 2828987<sup>1</sup> ("987 mark"). The defendants also argued that the plaintiff's mark is confusing with its USPTO registered word mark 2087643 ("643 mark").

The parties filed cross-motions for summary judgment. The court granted partial summary judgment for each party, holding that since there is no likelihood of confusion between the parties' marks, neither party had infringed on each other's mark. The parties appealed the court's decision to the Fourth Circuit Court of Appeals. The Fourth Circuit vacated the court's order holding that the district court could not find that there is no likelihood of confusion because it is bound by the parties' admission of the likelihood of confusion. The case was remanded to the court and the trademark infringement claims have been winnowed down to deciding whether the marks at issue were protectable and which party has senior priority of use as to the competing marks. The cross-motions for summary judgment have been filed with each party stating that it has the higher priority of use.

**II.**

Upon motion for summary judgment, the Court must view the facts, and inferences to be drawn from those facts, in the light most favorable to the non-moving party. *Nguyen v. CNA Corp.*, 44 F.3d 234, 236-37 (4th Cir.1995). An award of summary judgment is appropriate only if the pleadings, depositions, answers to interrogatories, admissions on file, together with the affidavits, show that there is no genuine issue as to any material fact and that the moving party is



entitled to judgment as a matter of law. *Metric/Kvaerner Fayetteville v. Federal Ins. Co.*, 403 F.3d 188, 197 (4th Cir.2005) (citation omitted). A genuine issue of material fact is one that might affect the outcome of the suit under the governing law. *Id.* Indeed, a dispute represents a genuine issue of material fact if the evidence is such that a reasonable jury could return a verdict for the non-moving party. *Id.*

#### A.

\*2 In order to establish trademark infringement under the Lanham Act, the complainant must show that: (1) It has a valid, protectable trademark; and (2) The defendant's use of a colorable imitation of the trademark is likely to cause confusion among consumers.<sup>2</sup> See *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Virginia, Inc.*, 43 F.3d 922, 930 (4th Cir.1995). "The parties' reciprocal admissions that their marks were confusingly similar effectively reduced their dispute to a litigation addressing a) whether either party had a valid, protectable (sic) trademark and b) which had priority of use." See *Adventis, Inc. v. Consolidated Property Holdings, Inc.*, 124 Fed. Appx. 169, 172 (4th Cir.2005) (unpublished).

The complainant "must first and most fundamentally prove that it has a valid and protectable mark. See *Microstrategy, Inc. v. Motorola, Inc.*, 245 F.3d 335, 340 (4th Cir.2001). A mark need not be registered to garner federal or common law trademark protection. In this circuit, an unregistered mark must satisfy two requirements if its owner is to have a protectable interest in the mark: (1) The mark must be used in commerce, see *Larsen v. Terk Technologies Corp.*, 151 F.3d 140, 146 (4th Cir.1998); and (2) It must be distinctive, see *Sara Lee Corp. v. Kayser-Roth Corp.*, 81 F.3d 455, 464 (4th Cir.1996). The parties do not dispute that the 918, 489, and 987 marks were used in commerce,<sup>3</sup> and the court agrees that the marks at issue were used in commerce.

Next, trademark protection requires that the complainant prove its mark is distinctive. The protection accorded a trademark is directly related to its distinctiveness. *Sara Lee Corp.*, 81 F.3d at 464. Following the classic formulation by Judge Friendly in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir.1976), a mark can be categorized along the distinctiveness spectrum as generic, descriptive, fanciful, arbitrary, or suggestive. *Sara Lee Corp.*, 81 F.3d at 464. Fanciful, arbitrary, and suggestive marks are inherently distinctive. *Seeid.* Descriptive marks can be

afforded protection if they acquire secondary meaning. *Seeid.* Lastly, generic terms can never be trademarked. *Seeid.*

Given the difficulty in determining which category to place a mark, courts give due regard to the USPTO classification of a mark in accepting or rejecting a mark for registration.<sup>4</sup> See *Lonestar Steakhouse & Saloon, Inc.*, 43 F.3d at 934. Neither party has submitted evidence as to whether such a determination was made by the USPTO, and if the USPTO did classify the mark, in which category the 918 and 489 marks were placed. With the limited amount of evidence presented as to the distinctiveness or strength of the marks at issue, neither party has met its initial burden to prove that it is entitled to judgment as a matter of law because neither party has met its burden to show that there is no genuine issue that their marks are valid and protectable or that the opposing party's marks are not valid or protectable. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 323, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986) (stating that the moving party has the initial burden to show that no genuine issue exists and that it is entitled to summary judgment as a matter of law).

\*3 In analyzing the distinctiveness of the words "Big Lot" or "Big Lots" in each party's mark, the words could arguably be categorized as generic, descriptive, or suggestive.<sup>5</sup> "Big Lot" and "Big Lots" could be interpreted as a plain and simple term for the seller's location such as "marketplace" or "plaza". The terms could also be descriptive and protectable if they acquired a secondary meaning. Furthermore, the terms could be suggestive because they may create a nexus allowing the consumer to conjure up the seller's business in his mind with a little imagination. In addition, the distinctiveness inquiry has added depth in the instant case because the words coupled with the design elements must be looked at as a whole.

Since neither party has adequately briefed the court on the issue, it is left with little probative evidence to consider whether the 918, 489, and 987 marks in their entirety are distinctive enough to be afforded protection.<sup>6</sup> The distinctiveness and strength of the marks at issue will be a question left for the factfinder. Cf. *Hasbro, Inc. v. Lanard Toys, Ltd.*, 858 F.2d 70, 74 (2d Cir.1988) ("The [Lanham] Act is aimed to protect purchasers in the marketplace, and it is their perception that determines whether a mark is descriptive or suggestive."). If the 918, 489, and 987 marks are protectable, the issue of who has infringed upon whom will be an issue of seniority since the likelihood of confusion has been stipulated to by the parties.<sup>7</sup>

## B.

The issue of who is the senior user of two competing unregistered marks is determined by who first used its mark in commerce. “Use” means the “bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.” *Emergency One, Inc. v. American FireEagle, Ltd.*, 228 F.3d 531, 536 (4th Cir.2000). Neither promotional use of the marks on goods in a different course of trade nor mere token use constitute “use” under the Lanham Act. *See id.* Thus, whomever used their mark first in time has priority. Neither side disputes that the plaintiff’s applied-for 918 mark was first used in commerce as of May 2001. Furthermore, neither side disputes that the defendants’ 489 and 987 marks were first used in April 2001.

The plaintiff asserts, however, that it is the senior user because it should be deemed as using the 918 mark as early as February 2001 when it first used the design of the 918 mark with the addition of the “.com” internet designation.<sup>8</sup> The defendants also assert that they are the senior users because they started using the 489 and 987 marks as far back as 1985 when they first used the words “Big Lots” to identify their business. Both parties’ arguments apply the doctrine of tacking in order to assert priority of use.

The tacking doctrine is essentially a constructive use theory that recognizes the ability of a trademark owner to claim priority in a mark based on the first use date of a similar, but technically distinct, mark. *See Brookfield Commc’ns, Inc. v. West Coast Entm’t Corp.*, 174 F.3d 1036, 1047 (9th Cir.1999). Essentially, the trademark holder “seeks to ‘tack’ his first use date in the earlier mark onto the subsequent mark.” *Id.* at 1048. The Fourth Circuit has yet to pass upon whether the tacking doctrine can be utilized. The circuit courts of appeals, however, that have passed upon the doctrine have recognized it. *See Van-Dyne Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1159 (Fed.Cir.1991), *Data Concepts, Inc. v. Digital Consulting, Inc.*, 150 F.3d 620, 623 (6th Cir.1998); *Brookfield Comm’n, Inc.*, 174 F.3d at 1047-48.

\*4 The court agrees that the tacking doctrine should be allowed so that a trademark holder’s rights are not thwarted by every minuscule change or variation in a mark that continues to convey the same impression. *See Brookfield Commc’ns, Inc.*, 174 F.3d at 1048 (“Without tacking, a trademark owner’s priority in his mark would be reduced each time he made

the slightest alteration to the mark, which would discourage him from altering the mark in response to changing consumer preferences, evolving aesthetic developments, or new advertising and marketing styles.”). Tacking, however, should be allowed in the exceptionally narrow instance where “the previously used mark is the legal equivalent of the mark in question or indistinguishable therefrom such that consumers consider both as the same mark ... so that the subsequent mark serves the same identificatory function as the prior mark.” *See Brookfield Commc’ns, Inc.*, 174 F.3d at 1047-48. Although the courts that have addressed the tacking doctrine have universally allowed it, the issue of whether tacking is one of law or fact has garnered differing opinions.

The Federal, Sixth, and Ninth Circuits have held that the issue of tacking is a legal conclusion premised upon whether two designs are legal equivalents. *See Van-Dyne Crotty, Inc.*, 926 F.2d at 1159, *Data Concepts, Inc.*, 150 F.3d at 623; *Brookfield Comm’n, Inc.*, 174 F.3d at 1048. A district court in the Seventh Circuit, however, has held that the issue of tacking is one of fact. *See Navistar Int’l Transp. Corp. v. Freightliner Corp.*, 52 U.S.P.Q.2d 1074, 1079 (N.D.Ill.1998). Similar to the circuit split on the issue of likelihood of confusion, certain circuits have held that that issue is one of fact, while the remaining circuits have held it is a mixed issue of law and fact. *Compare Adventis, Inc.*, 124 Fed. Appx. at 173 (citing *Anheuser-Busch, Inc. v. L. & L. Wings, Inc.*, 962 F.2d 316, 318 (4th Cir.1992), for the holding that likelihood of confusion is an issue of fact in the Fourth Circuit) with *Little Caesar Enters., Inc. v. Pizza Caesar, Inc.*, 834 F.2d 568, 570 (6th Cir.1987) (holding that likelihood of confusion is a mixed question of law and fact). As an issue of first impression, the court holds that whether two designs should tack is an issue of fact.

As held in the seminal case defining tacking by the Federal Circuit, whether two designs are legal equivalents is determined by whether they “create ‘the same, continuing commercial impression,’ (citation omitted), and the later mark should not materially differ from or alter the character of the mark attempted to be ‘tacked.’”<sup>9</sup> *See Van Dyne-Crotty, Inc.*, 926 F.2d at 1159. Although the courts that have addressed the issue of tacking have differed upon whether the analysis is one of law or fact, every court has narrowed the analysis to include the inquiry of whether the consumer would consider the prior and subsequent designs as the same. *See id.* (“[T]he consumer should consider both as the same mark.” (citation omitted)); *Data Concepts, Inc.*, 150 F.3d at 623 (stating that legal equivalence for

tacking purposes requires that “the marks sought to be tacked ‘must create the same continuing commercial impression.’”<sup>9</sup>); *Brookfield Comm'ns, Inc.*, 174 F.3d at 1048 (“We agree that tacking should be allowed if two marks are so similar that consumers generally would regard them as essentially the same.”); *Navistar Int'l Transp. Corp.*, 52 U.S.P.Q.2d at 1080 (“The test for tacking is whether two marks make the same commercial impression....”). The court finds it convincing that whether two designs tack is an issue of fact because the analysis primarily turns upon the perspective of the consumer. Cf. *Chicago Truck Drivers, Helpers, and Warehouse Workers Union (Independent) Pension Fund v. Louis Zahn Drug Co.*, 890 F.2d 1405, 1410 (7th Cir.1989) (“[T]he practical truth [is] that the decision to label an issue a ‘question of law,’ a ‘question of fact,’ or a ‘mixed question of law and fact’ is sometimes as much a matter of allocation as it is of analysis.” (citation omitted)); *Flying Tiger Line v. Teamsters Pension Trust*, 830 F.2d 1241, 1255 (3d Cir.1987) (“Distinctions between questions of fact and law are, after all, often rather tenuous.”)

\*5 Whether two marks create the same continuing impression or are materially different is an issue viewed from the perspective of the consumer because it is the consumer's conclusion that is material. See *Navistar Int'l Transp. Corp.*, 52 U.S.P.Q.2d at 1079 (“As for whose impression matters, it is the impression of the consumers for the product at issue that matters.”). The opinion of the consumer is crucial because a central purpose of trademark law is to create a marketplace in which the consumer is not deceived or confused by competing sellers. Cf. *Brookfield Comm'ns, Inc.*, 174 F.3d at 1048 (“Giving the trademark owner the same rights in the new mark as he has in the old helps to protect source-identifying trademarks from appropriation by competitors and thus furthers the trademark law's objective of reducing the costs that customers incur in shopping and making purchasing decisions.”). The opinion of a court sitting in its ivory tower sheds no light on an issue in which the everyday consumer is the more adept expert.

Analogously, the Fourth and Seventh Circuits have held that the issue of likelihood of confusion is one of fact. See, e.g., *Anheuser-Busch, Inc.*, 962 F.2d at 318. The issue of “same, continuing commercial impression” stems from the same “bloodlines” as the issue of likelihood of confusion because whether two marks impart the same commercial impression is a heightened scrutiny of the likelihood of confusion analysis. See *Van Dyne-Crotty, Inc.*, 926 F.2d at 1159 (“[T]he standard of legal equivalence in reviewing

efforts to ‘tack’ ... is higher than that used in evaluating two competing marks ... even if two marks are confusingly similar, they still may not be legal equivalents.”). Both analyses are inherently factual because they depend on the unique facts and circumstances of each case, see *Anheuser-Busch, Inc.*, 962 F.2d at 318, and the factfinder must ultimately weigh the merits of the issue when facts are disputed.<sup>10</sup>

Applying the tacking doctrine to the instant case, the plaintiff argues that the 918 mark tacks to its prior unregistered design because the only difference between the 918 mark and the prior mark is the deletion of a “.com” designation. The court agrees with the plaintiff that the deletion of an internet address designation would generally not alter the commercial impression of a mark.<sup>11</sup> See *Brookfield Comm'ns, Inc.*, 174 F.3d at 1055. Whether the deletion of a slogan or design elements from a mark continue to impress the same commercial impression would be a more difficult question. The defendants have argued and submitted evidence that the plaintiff's mark prior to the applied-for 918 mark included not only a “.com” designation, but also a slogan and other design elements. See Defendants' Brief in Support of Cross-Motion for Summary Judgment and in Opposition to Plaintiff's Motion for Summary Judgment at 5. The plaintiff has solely argued that the difference between the 918 mark and its predecessor was solely the deletion of a “.com” designation. The issue of which mark is the predecessor of the 918 mark, and ultimately whether the predecessor design creates the same commercial impression as the 918 mark, are disputed facts that cannot be settled on summary judgment.

\*6 The defendants' tacking argument hinges on whether the 489 and 987 marks are legal equivalents with the 643 mark. The defendants state that their 643 word mark registration allows them to change their mark at will; this is incorrect. The defendants are correct that a word mark registration allows them to change the font style of the registered words without losing trademark protection. See 37 C.F.R. § 2.52(a)(1) (stating that a typed form registration makes no claim to “any particular font, style, size, or color....”). A word mark registration, however, does not give the holder unbridled discretion to add an exclamation point. The rights in a word mark “reside in the term itself,” see *In re Melville Corp.*, 18 U.S.P.Q.2d 1386, 1386 (T.T.A.B.1991), no more, no less. If the defendants had registered the word “Big Lots” with an exclamation point, the exclamation point would have been protected under the registration because a word mark registration allows variations only of the



characters registered. *See Fossil, Inc. v. The Fossil Group*, 49 U.S.P.Q.2d 1451, 1451 (T.T.A.B.1998). A word mark registration, however, does not invariably permit the holder to unabashedly add letters, words, symbols, or graphics to a word mark and receive protection for these additions. Whether an addition to a word mark receives protection under the tacking doctrine is analyzed under the strict standard of whether the word mark and the work mark plus the exclamation point convey the same continuing commercial impression.

The court would agree with the defendants that the addition of an exclamation point when used as a punctuation mark would generally not alter the commercial impression of a mark whose major feature is the words themselves. If, however, the exclamation point is more than a mere punctuation mark and is intended to be a new design feature, then the addition of the exclamation point could impart a differing commercial impression. The defendants have cited a number of non-citable persuasive authority that have held that an exclamation point does not change a mark in various situations. *See, e.g., In re Hanta Yo Co.*, 2000 TTAB LEXIS 14 (T.T.A.B.2000) (unpublished); *In re H.E. Butt Grocery Co.*, 2002 TTAB LEXIS 72 (T.T.A.B.2002) (unpublished). None of these cases, however, have analyzed the addition of an exclamation point under the tacking analysis nor in the situation when an exclamation point is used for a purpose other than as a punctuation mark.

Although the defendants have argued that the exclamations points in the 489 and 987 marks are solely for punctuation, the plaintiff has proffered evidence that plausibly disputes this when looked at in a light most favorable to the plaintiff. For instance, the exclamation point used in the 987 mark is placed between the words “Big” and “Lots”. The court knows of no instance when it is grammatically correct to place an exclamation point in the middle of a sentence or between two words that denote a single proper noun. Furthermore, the plaintiff has proffered evidence that suggests that the defendants use the exclamation point as a graphic independent of the word mark. The exclamation point is independently featured on advertising and in-store signs. *See Plaintiff's Reply Memorandum in Support of Motion for Summary Judgment and in Opposition to Defendants' Cross-Motion for Summary Judgment*, Exhibit 15. If the exclamation point acts as a design feature, this would suggest that the addition of the exclamation point may impart a differing commercial impression to the word mark itself. Thus, the issue of which party is the senior user between

the 918, 489, and 987 marks cannot be settled at summary judgment because there are disputed facts as to whether any of the marks can tack their first use date to a prior unregistered mark. Therefore, the issue of which party has infringed on the other's mark cannot be settled on summary judgment.

### C.

\*7 The defendants also assert in their counterclaim that the plaintiff's 918 mark infringes on their 643 mark.<sup>12</sup> The parties have not stipulated to any elements of a claim for trademark infringement, therefore, the defendants must prove that their 643 mark is a valid, protectable trademark and that there is a likelihood of confusion between the 643 mark and the plaintiff's 918 mark. *See Lone Star Steakhouse & Saloon, Inc.*, 43 F.3d at 930 (elements of trademark infringement).

First, the 643 mark is likely to be a valid and protectable trademark because it is an incontestable mark. The 643 mark was registered by the defendants in 1997 and became incontestable as of 2002. “A trademark's incontestability provides a strong presumption in favor of the mark's protectibility (sic) and validity.” *See Lone Star Steakhouse & Saloon, Inc.*, 43 F.3d at 933. The plaintiff has not rebutted the incontestability of the 643 mark and it is therefore, not in dispute.

Second, the defendants must prove that there is a likelihood of confusion between the 918 and 643 mark. The defendants have submitted evidence to support *Pizzeria Uno* factors for likelihood of confusion. *See Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1527 (4th Cir.1984) (stating the factors for determining likelihood of confusion). The plaintiff, however, has argued that there is no likelihood of confusion between the two marks because of the dissimilarities between the marks. The issue is one of disputed fact which the factfinder can reasonably find for the non-moving party. Therefore, summary judgment cannot be granted on this cause of action.

### D.

As for the defendants' remaining claims, the federal false designation of origin claim and common law unfair competition claim parallel the analysis of federal and common law infringement claims. *See Lone Star Steakhouse & Saloon, Inc.*, 43 F.3d at 930 n. 10 (“The test for trademark infringement and unfair competition under the Lanham Act

is essentially the same as that for common law unfair competition under Virginia law because both address the likelihood of confusion as to the source of goods or services involved.”). These claims, therefore, rise or fall with the infringement claims and will not be analyzed separately.

As for the defendants' trademark dilution claim, it must show that there is no genuine issue that it has a famous mark and the alleged infringer is causing a dilution of that mark. Defendants' have not offered any proof that their mark is famous. Neither has it made a showing that there was dilution. *See Superperformance Int'l, Inc. v. Hartford Cas. Ins. Co.*, 332 F.3d 215, 222 (4th Cir.2003). The Supreme Court has held that the dilution statute “unambiguously requires a showing of actual dilution, rather than a likelihood of dilution.” *See CareFirst of Maryland, Inc. v. First Care P.C.*, 434 F.3d 263, 274 (4th Cir.2006) (citing *Moseley v. v. Secret Catalogue, Inc.*, 537 U.S. 418, 433, 123 S.Ct. 1115, 155 L.Ed.2d 1 (2003)). Dilution means the “the lessening of capacity of a famous mark to identify and distinguish goods or services.” *Id.* Where the junior and senior marks are identical, there can be circumstantial evidence of actual dilution. *Id.* “[A] mere similarity in the marks—even a close similarity—will not suffice to establish *per se* evidence of actual dilution.” *Id.* “In addition, ‘the issue of whether the marks are identical will be context-and/or media-specific and factually intensive in nature.’” *Id.* The defendants' have not met their initial burden on this claim and therefore, summary judgment cannot be granted.

### III.

\*8 Genuine issues of material fact exist as to the trademark infringement claims. The disputed issues to be tried include, *inter alia*:

- (1) Is the 918 mark a valid and protectable mark?
  - (a) Which category of distinctiveness should the plaintiff's 918 mark be placed?
- (2) Is the 489 mark a valid and protectable mark?
  - (a) Which category of distinctiveness should the defendants' 489 mark be placed?
- (3) Is the 987 mark a valid and protectable mark?
  - (a) Which category of distinctiveness should the defendants' 987 mark be placed?
- (4) Which party has senior priority to use their mark(s) between the 918, 489, and 987 marks?
  - (a) What designs, slogans, or characters constitute the plaintiff's prior unregistered mark to its 918 mark?
  - (b) Does plaintiff's 918 mark impart the same and continuing commercial impression as its prior unregistered mark?
  - (c) Do defendants' 489 and/or 987 marks impart the same and continuing commercial impression as its 643 mark?
- (5) Does plaintiff's 918 mark infringe upon defendants' 643 mark?

### All Citations

Not Reported in F.Supp.2d, 2006 WL 1134129

### Footnotes

- 1 The mark was registered subsequent to the filing of this action.
- 2 Common law trademark infringement in Virginia parallels the federal law and, thus, the federal and common law infringement claims will be analyzed together.
- 3 The parties only dispute when the marks were first used in commerce.
- 4 The defendants' 987 mark was registered subsequent to the filing of this civil action and could be evidence supporting the distinctiveness of the mark.
- 5 The incontestability of the defendants' 643 word mark may suggest that the 489 and 987 marks are protectable since the words “Big Lots” is a central piece of the marks.
- 6 At most, the parties stated that they own their marks, but have not argued the issue of distinctiveness.
- 7 The court is fully aware of the binding precedent of this circuit that states that likelihood of confusion is an issue of fact. It must note, however, the inefficiency of allowing the parties to play the sorcerer's apprentice and conjure up a colorable claim solely based on the parties' stipulation to an essential element of the claim premised on their bald and conclusory

averments. *Cf. Universal City Studios, Inc. v. Nintendo Co.*, 746 F.2d 112, 116 (2d Cir.1984) (“Questions regarding the likelihood of confusion are normally factual in nature. (citation omitted). Nonetheless, ‘courts retain an important authority to monitor the outer limits of substantial similarity within which a jury is permitted to make the factual determination whether there is a likelihood of confusion as to source ....’ (citation omitted)).

8 Plaintiff has withdrawn any argument that the 918 mark should relate back to its mark first used in December 2001.

9 Although the *Navistar* court states that the legal equivalence doctrine and tacking doctrines are two distinct analyses, every court that has passed upon the tacking doctrine has narrowed the issue to whether two designs impress the same commercial impression.

10 The party seeking to tack bears the burden of proof. Probative evidence to prove that two marks impart the same, continuing commercial impression include: (1) Side-by-side comparisons of the similarities or differences of the marks; (2) Anecdotal or more broad-based evidence of consumer perception; and (3) Intent or purpose of the mark-holder in style or design modifications of the marks, as it relates to influence on consumer perception.

11 The issue maybe a closer one when the mark-holder is an internet-based business attempting to expand into more traditional modes of retail or a traditional retailer converting exclusively to internet-based sales, neither of which is present in this case.

12 If the defendants ultimately win on this claim, the conflict between the 918, 489, and 987 marks is moot because the plaintiff's 918 is invalid because it infringed on a prior mark.

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THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

**BELL, INC.**

v.

**BELL PACKAGING CORPORATION**

Cancellation No. 92031904

September 20, 2004

\***1** [J.W. Gipple](#) of Gipple & Hale for **Bell, Inc.**

[Priscilla L. Dunckel](#) and Pamela S. Ratliff of Baker Botts L.L.P. for **Bell Packaging Corporation**

Before [Seeherman](#), Bottorff and [Drost](#)

Administrative Trademark Judges

Opinion by Bottorff

Administrative Trademark Judge:

**Bell Packaging Corporation**, respondent herein, owns Registration No. 2089082, which is of the mark **BELL PACKAGING CORPORATION** (in typed form; **PACKAGING CORPORATION** disclaimed) for goods and services identified in the registration as “packing paper, cardboard, and **packaging** goods, namely, linerboards, corrugating medium paper, corrugated boxes, adhesives for stationery, waxed paper, wax paper bags,” in Class 16, and “consultation and design of pallets, storage rack systems, linerboard, corrugating medium, corrugated boxes, and waxed paper products,” in Class 42. May 24, 1994 is alleged in the registration as the date of first use of the mark and the date of first use of the mark in commerce, as to both classes. The registration issued on August 19, 1997 from an application filed on July 3, 1996.<sup>1</sup>

On March 29, 2001, **Bell, Inc.**, petitioner herein, filed a petition to cancel respondent’s registration. As its ground for cancellation, petitioner alleged that “since long prior to 1994,” petitioner has used **BELL** as part of its trademark and trade name in connection with paperboard **packaging** goods, and that respondent’s mark, when used on or in connection with respondent’s goods and services, is likely to cause confusion. Trademark Act Section 2(d), [15 U.S.C. §1052\(d\)](#). Respondent filed an answer by which it denied the salient allegations of the petition to cancel and asserted various affirmative defenses.

The evidence of record consists of the June 12, 2003 testimony deposition of petitioner’s president, CEO and sole shareholder Mark Graham (and the exhibits thereto); the August 13, 2003 testimony deposition of respondent’s account manager Todd Levy (and the exhibits thereto); and respondent’s September 2, 2003 notice of reliance and the documents submitted therewith.<sup>2</sup> Petitioner and respondent filed main trial briefs, but petitioner did not file a reply brief.<sup>3</sup> No oral hearing was requested. We deny the petition to cancel.

Initially, the evidence of record establishes that petitioner has used the trade name “**Bell, Inc.**” from January 2001 until the present. (Graham Depo. at 6.) In view thereof, and because petitioner’s likelihood of confusion claim is not frivolous, we find that petitioner has established that it has the requisite commercial interest in the outcome of this proceeding, and that it therefore has standing to petition to cancel respondent’s registration. *See, e.g., Lipton Industries, Inc. v. Ralston Purina Company*, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982).

\***2** To prevail on its Section 2(d) ground for cancellation, petitioner, who does not own a registration, must prove that respondent’s mark, when used on or in connection with respondent’s goods and services, “so resembles ... a mark or trade name previously used in the United States by another [in this case, petitioner] and not abandoned,” as to be likely to cause confusion. Trademark Act Section 2(d). Thus, there are two

elements of petitioner's Section 2(d) claim, i.e., that petitioner has priority, and that a likelihood of confusion exists. We turn first to the issue of priority.

Two preliminary comments are in order with respect to the priority issue. First, we reject respondent's contention that petitioner cannot prevail herein because petitioner has not proven prior (or any) technical trademark use of a **BELL** mark on its paperboard **packaging** products. Section 2(d), on its face, does not require that a petitioner (or opposer) establish prior technical trademark use; prior trade name use suffices to bar registration of a confusingly similar mark. See, e.g., [\*Martahus v. Video Duplication Services, Inc.\*, 3 F.3d 417, 27 USPQ2d 1846, 1850 \(Fed. Cir. 1993\)](#).

Second, we reject petitioner's contention that "priority is not an issue" in this case, and its related contention that "Petitioner's burden is to prove that at the time when the application which resulted in Reg. No. 2089082 was filed, Petitioner had previously used (and not abandoned) a mark or trade name" to which respondent's mark is confusingly similar. (Petitioner's brief, at 4-5.) In *inter partes* proceedings before the Board where the plaintiff asserting a Section 2(d) claim does not own a registration, the Section 2(d) priority test is not whether the plaintiff's unregistered mark or trade name was "previously used" as of the defendant's application filing date, but rather whether it was "previously used" as of the earliest date on which the defendant can rely for priority purposes.<sup>4</sup> In other words, the plaintiff asserting a Section 2(d) claim in an opposition or cancellation proceeding, if it does not own a registration, must prove that, as between plaintiff and defendant, plaintiff has superior rights in its unregistered mark or name, i.e., that the earliest date of use on which plaintiff can rely is prior in time to the earliest date of use on which defendant can rely.<sup>5</sup> Absent proof of ownership of such superior rights vis-à-vis the defendant, the plaintiff cannot prevail on its Section 2(d) claim. See, e.g., [\*American Security Bank v. American Security and Trust Company\*, 571 F.2d 564, 197 USPQ 65, 66 \(CCPA 1978\)](#); [\*Corporate Document Services Inc. v. I.C.E.D. Management Inc.\*, 48 USPQ2d 1477 \(TTAB 1998\)](#); and [\*Intersat Corp. v. International Telecommunications Satellite Organization\*, 226 USPQ 154, 156 n.5 \(TTAB 1985\)](#). Petitioner's burden is to prove such priority by a preponderance of the evidence. See [\*Hydro-Dynamics Inc. v. George Putnam & Company Inc.\*, 811 F.2d 1470, 1 USPQ2d 1772 \(Fed. Cir. 1987\)](#).

\*3 The evidence of record in this case establishes that petitioner adopted its current "**Bell, Inc.**" trade name in January 2001. (Graham Depo. at 6; Respondent's Notice of Reliance, Exh. 6.) Prior to its adoption of the "**Bell, Inc.**" trade name, petitioner had been doing business under the trade name "**Bell Paper Box, Inc.**" since April 1, 1976, when petitioner's president Mark Graham purchased the assets of the company. (Graham Depo. at 6, 49-50.) Since Mr. Graham's purchase of the company in 1976, petitioner's paperboard **packaging** products business has been in continuous operation, first under the "**Bell Paper Box, Inc.**" name (from April 1976 to January 2001) and then under the "**Bell, Inc.**" name (from January 2001 to the present). (Graham Depo. at 6-7.) We note that petitioner also asserts that prior to Mr. Graham's acquisition of the company in 1976, the company's prior owners had used the "**Bell Paper Box, Inc.**" trade name in the paperboard **packaging** products business since the company's founding in 1920. However, we find that the evidence of record does not support that assertion.<sup>6</sup>

As for respondent, the evidence of record establishes the following. In his August 13, 2003 testimony deposition, respondent's witness Mr. Levy testified that he has been employed by respondent since 1978, and that he has held a variety of positions within the company over the years, including as the company's administrative manager with responsibility for all administrative functions of the company, including human resources. He is familiar with the company's history because the company keeps extensive archives, with which he was required to become familiar because his duties have included "overseeing the historical portion of our annual profit plan." (Levy Depo. at 4-5.) The company's archives contain numerous documents which are and have been kept by the company in the ordinary course of business, including the historical documents introduced as exhibits to his deposition. (Levy Depo. at 5, 14, 18.)

Mr. Levy testified that respondent company was founded in 1913 by George **Bell**, and that it did business under the trade name "Indiana Fibre Products Company" until 1940, when the name was changed to "**Bell Fibre Products Company**." Exhibit 4 to Mr. Levy's deposition is a copy of an announcement, dated January 2, 1940 and signed by George **Bell**, by which the company announced the name change. Mr. Levy testified



that the original of this document is framed and displayed in the lobby of the company's plant in Marion, Indiana. (Levy Depo. at 14.)

Continuously from 1940 to 1988, respondent conducted business under the trade name "**Bell** Fibre Products Corporation," and also used that designation as a trademark on the corrugated containers it produced and as a service mark in connection with its **packaging** design services. (Levy Depo., 9, 13.)<sup>2</sup> Exhibit 5 to Mr. Levy's deposition is a company newsletter dated May 1968, in the masthead of which appears the "**Bell** Fibre Products Corporation" trade name and **bell** logo. (Levy Depo. at 14-15.) Exhibit 6 to Mr. Levy's deposition is a 1985 marketing brochure which was used extensively by respondent; the name "**Bell** Fibre Products Corporation" appears prominently on the brochure's cover. (Levy Depo. at 15-19.) Exhibit 10 to Mr. Levy's deposition is a certification stamp bearing the designation "**Bell** Fibre Products Corporation" and **bell** logo, which was stamped onto every corrugated carton produced by respondent in the years prior to 1988. (Levy Depo. at 24-25, 27.)

**\*4** In 1988, to celebrate the company's 75<sup>th</sup> anniversary, respondent changed its trade name from "**Bell** Fibre Products Corporation" to "**Bell Packaging** Corporation." (Levy Depo. at 8.) Exhibit 4 to Mr. Levy's deposition is an official record from the Indiana Secretary of State's office consisting of a notice of filing of articles of amendment to respondent's Articles of Incorporation, along with a copy of the December 31, 1987 articles of amendment by which the corporate name change was effected. Respondent has used the **BELL PACKAGING CORPORATION** trademark and trade name continuously since 1988. (Levy Depo. at 22-24.)<sup>8</sup>

Petitioner has not objected to, challenged or rebutted any of respondent's evidence pertaining to the history of respondent's use of its **BELL PACKAGING CORPORATION** and **BELL FIBRE PRODUCTS CORPORATION** trade names and trademarks. We find that this evidence suffices to establish that respondent has used the trade name, trademark and service mark **BELL PACKAGING CORPORATION** since 1988, and that it used the trade name **BELL FIBRE PRODUCTS CORPORATION** continuously from 1940 to 1988.

Both petitioner and (to a lesser extent) respondent have based their priority arguments on their uses of their previous trade names and/or marks. That is, petitioner is attempting to go behind its January 2001 first use of its current **BELL, INC.** name and "tack on" its pre-2001 use of its previous name **BELL PAPER BOX, INC.** Respondent, although arguing that its 1988 first use of its registered **BELL PACKAGING CORPORATION** mark predates petitioner's 2001 first use of its current **BELL, INC.** trade name, also argues that it is entitled to go behind its 1988 first use of the **BELL PACKAGING MARK** and tack on its pre-1988 use of its previous **BELL FIBRE PRODUCTS CORPORATION** mark and name. We find, however, that neither party is entitled to tack in this case.

"Tacking" (for priority purposes) of a party's use of an earlier mark or name onto its use of a later mark or name is permitted only in rare instances, and only where the earlier and later designations are "legal equivalents," i.e., where they would be considered by purchasers to be the same designation. To meet the legal equivalents test, the marks must create the same commercial impression, and cannot differ materially from one another. The fact that two designations may be confusingly similar does not necessarily mean that they are legal equivalents. See *Van Dyne-Crotty Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 17 USPQ2d 1866 (Fed. Cir. 1991); *Ilco Corp. v. Ideal Security Hardware Corp.*, 527 F.2d 1221, 188 USPQ 485 (CCPA 1976); *Pro-Cuts v. Schilz-Price Enterprises Inc.*, 27 USPQ2d 1224 (TTAB 1993); *Baroid Drilling Fluids Inc. v. Sun Drilling Products*, 24 USPQ2d 1048 (TTAB 1992); and *American Paging Inc. v. American Mobilphone Inc.*, 13 USPQ2d 2036 (TTAB 1989), *aff'd* (unpub.) 17 USPQ2d 1726 (Fed. Cir. 1990).

**\*5** In this case, we find that petitioner's previous trade name **BELL PAPER BOX, INC.** is not the legal equivalent of its current trade name **BELL, INC.** The two names do not create the same commercial impression, because the current name (which omits PAPER BOX) is more general and expansive, and less informative, than the former name. See *American Paging Inc. v. American Mobilphone Inc.*, *supra*. The same is true with respect to respondent's former **BELL FIBRE PRODUCTS CORPORATION** name and mark and its current **BELL PACKAGING CORPORATION** name and mark. FIBRE PRODUCTS and

**PACKAGING** are not legally equivalent terms, and the commercial impressions created by the respective marks therefore are not the same. *See Ilco Corp. v. Ideal Security Hardware Corp.*, *supra*; *American Paging Inc. v. American Mobilphone Inc.*, *supra*.

Because petitioner is not entitled to tack on its use of its previous **BELL PAPER BOX, INC.** trade name, the earliest date on which petitioner may rely for priority purposes is the date of its first use of its current **BELL, INC.** trade name, i.e., January 2001. Respondent likewise is not permitted to tack on its use of its previous name and mark **BELL FIBRE PRODUCTS CORPORATION**, but respondent has proven actual use of its registered **BELL PACKAGING CORPORATION** mark since 1988, a date prior to petitioner's January 2001 priority date. (Respondent's 1996 constructive first use date (i.e., the filing date of the application which matured into the involved registration), likewise predates petitioner's January 2001 first use of **BELL, INC.**)

In sum, because neither party is entitled to tack on its use of its former mark or name, the priority dispute in this case comes down to the issue of which party first commenced use of its present mark or name. We find that, as between respondent's registered **BELL PACKAGING CORPORATION MARK** (first used in 1988) and petitioner's **BELL, INC.** trade name (first used in 2001), priority rests with respondent, not petitioner.<sup>2</sup>

Because petitioner has failed to prove priority, petitioner cannot prevail on its Section 2(d) ground for cancellation. We need not and do not reach the issue of likelihood of confusion. *See Corporate Document Services Inc. v. I.C.E.D. Management Inc.*, *supra*, 48 USPQ2d at 1479 n.4.

Decision: The petition to cancel is denied.

#### Footnotes

<sup>1</sup> Section 8 affidavit (6-year) accepted.

<sup>2</sup> In an order dated October 31, 2002, the Board denied, as untimely, a motion for summary judgment filed by petitioner. Then, in an order dated April 3, 2003 (as corrected by an order dated April 18, 2003), the Board granted respondent's motion to quash petitioner's December 26, 2002 deposition on written questions of petitioner's president Mark Graham, due to petitioner's failure to comply with the provisions of [Trademark Rule 2.124](#) pertaining to depositions on written questions. We have given no consideration to the evidence submitted with petitioner's untimely summary judgment motion, or to the procedurally improper December 26, 2002 deposition and the exhibits thereto, except for the summary judgment affidavit of Mark Graham, which respondent itself made of record (during cross-examination) as an exhibit to Mr. Graham's June 12, 2003 testimony deposition.

<sup>3</sup> In its brief, respondent preserved and argued in support of its earlier, timely-asserted objections to certain of the exhibits to the testimony deposition of petitioner's president Mark Graham, as well as its objections to certain portions of Mr. Graham's testimony itself. Petitioner did not file a reply brief and has not otherwise responded to respondent's objections. We shall discuss those objections, *infra*.

<sup>4</sup> Priority is not an issue in an opposition proceeding in which the opposer relies on an unchallenged pleaded registration. *See King Candy Co., Inc. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Priority of use must be established in a cancellation proceeding, however, although a petitioner that proves ownership of a registration may rely on the filing date of the application which matured into that registration as its constructive date of first use, for priority purposes. *See* Trademark Act Section 7(c), [15 U.S.C. §1057\(c\)](#); *Hilson Research v. Society for Human Resource Management*, 27 USPQ2d 1423 (TTAB 1993).

<sup>5</sup> In opposition or cancellation proceedings where the defendant does not or cannot present evidence of use which predates its application filing date, the earliest use date on which the defendant may rely for priority purposes is its application filing date, which constitutes its constructive date of first use. *See* Trademark Act Section 7(c); *Levi Strauss & Co. v. R. Josephs Sportswear*, 28 USPQ2d 1464 (TTAB 1993), *recon. denied*, 36 USPQ2d 1328 (TTAB 1994). In such cases, the plaintiff attempting to establish Section 2(d) priority need only prove use prior to the defendant's application filing date.

<sup>6</sup> Mr. Graham, petitioner's sole trial witness, admitted that he has no personal knowledge as to the extent or manner of use of the **Bell** Paper Box, Inc. name prior to his acquisition of the company in 1976. (Graham Depo. at 43-45.) His testimony (*Id.* at pp. 42-43) recounting certain statements others had made to him regarding the company's history (i.e., statements made by Mr. Zender in 1976 and by the unidentified building researcher in the late 1980's) is clearly based upon hearsay, and does not establish the truth of the matters asserted in those statements. The only documentary evidence offered by petitioner as proof of pre-1976 use of the **Bell** Paper Box, Inc. trade name is Exhibit 6 to Mr. Graham's testimony deposition, i.e., the "Catalogue of Type Faces Emblems and Cuts of The **Bell** Paper Box Co." which bears on its cover the date "January 1932." However, we sustain respondent's timely-asserted and properly-maintained objection to this exhibit, on the ground that it should have been produced during discovery but was not. In particular, we note that respondent's Request for Production of Documents No. 9 requested production of "[d]ocuments sufficient to show continuous use of Petitioner's Mark from its earliest use to the present." Petitioner responded to this request as follows: "All such documents have not yet been identified, but will be made available to Registrant, when identified." (Graham Depo., Exh. No. 9.) Despite this representation that it would produce responsive documents, and despite its obligation under [Fed. R. Civ. P. 26\(e\)\(2\)](#) to timely supplement its response, petitioner failed to produce this 1932 catalog or any other document which would support its claim of pre-1976 use of the **Bell** Paper Box, Inc. name by petitioner's predecessors. Instead, petitioner attempted to introduce this document for the first time at Mr. Graham's testimony deposition. This is the sort of surprise that the discovery rules (of which respondent properly availed itself) were designed to prevent. In the interest of "fundamental fairness in the conduct of litigation," we find that petitioner is estopped to rely on this document at trial, and we have given it no consideration. See [Weiner King, Inc. v. The Wiener King Corporation](#), 615 F.2d 512, 204 USPQ 820, 828 (CCPA 1980). Thus, we find that there is no evidence which establishes use of the **Bell** Paper Box, Inc. trade name prior to Mr. Graham's acquisition of the company in 1976, much less evidence which establishes that such use commenced in 1920.

<sup>7</sup> Exhibit 3 to Mr. Levy's deposition is a USPTO printout of respondent's expired Reg. No. 1045401, which is of the mark **BELL** FIBRE PRODUCTS CORPORATION and **bell** logo design for "corrugated fibreboard boxes," and which alleges December 31, 1939 as the date of first use. The registration issued on August 3, 1976, but was not renewed, and was deemed expired on May 12, 1997. It is settled that an expired or cancelled registration is not evidence of use of the mark, either as of the application filing date or as of the date of use alleged therein. Nor is it evidence of any presently existing rights. See [Elder Mfg. Co. v. International Shoe Co.](#), 194 F.2d 114, 92 USPQ 330 (CCPA 1952); [Bonomo Culture Institute, Inc. v. Mini-Gym, Inc.](#), 188 USPQ 415 (TTAB 1975). We accordingly have given this expired registration no evidentiary value.

<sup>8</sup> In respondent's involved registration, respondent alleged May 24, 1994 as the date of first use of the trademark and service mark **BELL PACKAGING CORPORATION**. Mr. Levy testified that that date is erroneous, because respondent has used the trademark and service mark in commerce since 1988, when the company's name was changed from **Bell** Fibre Products Corporation to **Bell Packaging** Corporation. (Levy Depo. at 7-8.) Mr. Levy's testimony is clear, credible and incontroverted, and is supported by the deposition exhibits. In view thereof, we find that respondent has proven, with the requisite clear and convincing evidence, that its date of first use of the registered mark in commerce is January 1988, rather than May 24, 1994 as alleged in the registration. See *Hydro-Dynamics Inc. v. George Putnam & Company Inc.* *supra*. We note, however, that this finding is not necessary to our decision in this case because, as discussed *infra*, the evidence of record establishes respondent's priority vis-à-vis petitioner regardless of whether respondent's first use in commerce of the registered trademark and service mark was in 1994 or in 1988.

<sup>9</sup> We hasten to add that even if the priority issue in this case involved a determination of which party is the prior user of the designation **BELL** *per se*, i.e., even if both parties were permitted to tack on their use of their respective previous **BELL** marks or names, priority still would rest with respondent. For the reasons discussed *supra*, the earliest date of use of petitioner's previous **BELL PAPER BOX, INC.** trade name that has been established by competent evidence is April 1976, when Mr. Graham acquired the company. That date is subsequent to respondent's proven date of first use, in 1940, of its previous **BELL FIBRE PRODUCTS CORPORATION** mark and name.

2003 WL 22102383 (Trademark Tr. & App. Bd.)

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

IN RE UNIVERSAL PREMIUM ACCEPTANCE CORPORATION

Serial No. 75/777,087

September 8, 2003

\*1 Timothy J. Feathers of Stinson Morrison Hecker LLP for Universal Premium Acceptance Corporation  
Michael Webster, Trademark Examining Attorney  
Law Office 102  
(Tom Shaw, Managing Attorney)

Before Chapman, Holtzman and Drost  
Administrative Trademark Judges  
Opinion by Chapman  
Administrative Trademark Judge:

Universal Premium Acceptance Corporation (a Missouri corporation) has filed an application to register on the Principal Register the mark shown below



for “electronic transmission of insurance premium financing information” in International Class 38.<sup>1</sup> The application was filed on August 16, 1999, based on applicant's claimed date of first use and first use in commerce of April 26, 1999.

Registration has been refused under Section 2(d) of the Trademark Act, 15 U.S.C. §1052(d), on the ground that applicant's mark, when used in connection with its identified services, so resembles two prior registered marks (both on the Principal Register) owned by two different entities: (1) PFA EXPRESS for “commercial premium finance administrative services in the nature of providing financial rates and terms, for use by others” in International Class 36;<sup>2</sup> and (2) the mark shown below



for “mortgage lending services” in International Class 36,<sup>3</sup> as to be likely to cause confusion, mistake or deception.

When the refusal was made final, applicant appealed. Briefs have been filed, but an oral hearing was not requested.

We affirm the refusal to register as to both cited registrations. In reaching this conclusion, we have followed the guidance of the Court in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, *In re Majestic Distilling Company, Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003). In any likelihood of confusion analysis, two key, although not exclusive, considerations are the similarities of the marks and the similarities of the goods and/or services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) (“The means of distribution and sale, although certainly relevant, are areas of peripheral inquiry. The fundamental inquiry mandated by §2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [and services] and differences in the marks.”). See also, *In re Dixie Restaurants Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997).

**\*2** We turn first to a consideration of the services involved in this case, and we note that the question of likelihood of confusion in Board proceedings regarding the registrability of marks, must be determined based on an analysis of the goods or services identified in applicant's application vis-a-vis the goods or services recited in the registration(s), rather than what the evidence shows the goods or services actually are. See *Octocom Systems Inc. v. Houston Computer Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783 (Fed. Cir. 1990); and *Canadian Imperial Bank of Commerce, N. A. v. Wells Fargo Bank*, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). Further, it is a general rule that goods or services need not be identical or even competitive to support a finding of likelihood of confusion. Rather, it is enough that the goods or services are related in some manner or that the circumstances surrounding their marketing are such that they would likely be seen by the same persons under circumstances which could give rise, because of the marks used therewith, to a mistaken belief that they emanate from or are in some way associated with the same producer or that there is an association between the producers of each party's goods or services. See *In re Peebles Inc.*, 23 USPQ2d 1795, 1796 (TTAB 1992); and *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991).

Applicant's service of providing insurance premium financing information is limited only in that it is provided by electronic transmission; but there is otherwise no restriction as to channels of trade or consumers. The cited registration for the mark PFA EXPRESS which is registered for “commercial premium finance administrative services in the nature of providing financial rates and terms, for use by others” is for essentially the same service as that identified by applicant in its application, namely, providing insurance premium financing information, which could and presumably would include financial rates and terms.<sup>4</sup>

Applicant asserts that “the services of both Applicant and First Premium are provided to commercial entities in the insurance industry,” but argues that the primary consumers of applicant's services are insurance agents and brokers, while this cited registrant's primary consumers are insurance companies themselves. (Brief, pp. 7-8.) This argument regarding different consumers is not persuasive in light of the respective identifications of services, which are not so limited.

We disagree with applicant's conclusory statement that because applicant could not find any use of this registrant's mark PFA EXPRESS on the Internet, applicant had established that the mark is not used in any on-line context. Applicant provided no

information as to the extent or the parameters of its search for this registrant's mark on the Internet. In any event, there is no restriction in this registrant's identification of services stating that it will not offer its services through the Internet.

**\*3** With regard to applicant's services vis-a-vis the second cited registrant's "mortgage lending services" (offered under the mark EPfa), we find that these are closely related services. While the specific services are different, the record contains several third-party registrations, based on use in commerce, listing both of these types of services in connection with the same marks. See, for example, Registration No. 1,872,759 for "... insurance premium financing services, ... mortgage lending services, ..."; Registration No. 1,939,383 for "providing financial services, namely, mortgage brokerage services and mortgage banking services and insurance premium financing,..."; and Registration No. 1,635,683 for "... insurance premium financing services, ... savings account and mortgage lending services, ...."

When considering the third-party registrations submitted by the Examining Attorney, we are aware that such registrations are not evidence that the marks shown therein are in use on a commercial scale or that the public is familiar with them. Such third-party registrations nevertheless have some probative value to the extent they may serve to suggest that such services are of a type which emanate from the same source. See *In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783, 1785 (TTAB 1993); and *In re Mucky Duck Mustard Co., Inc.*, 6 USPQ2d 1467, footnote 6 (TTAB 1988).

The Examining Attorney also submitted several excerpted stories retrieved from the Nexis database to show that mortgage lending services and insurance premium financing services are frequently available from a single source, such as the following examples:

Headline: Letters to the Editor: Herman Dickey, Vice president of marketing, PMI Mortgage Insurance Co., San Francisco

... Since premium financing burst on the mortgage scene from 12 to 14 months ago, popularity of these programs has taken off.

...

All mortgage lenders (but particularly mortgage bankers) have been hard-pressed to compete with "No MI [mortgage insurance]" programs. Premium financing represents the only viable response these lenders have to such programs. "National Mortgage News," October 24, 1988;

Headline: Latino Thrift Beefs Up Subprime Unit's Staff

... In addition to subprime mortgage lending, the company does auto financing and auto insurance premium financing. "The American Banker," April 10, 1997;

Headline: Ex-New Yorker Finds Good Climate For Convertible Notes in California

... The bank concentrates on asset-based financing, insurance premium financing, mortgage banking and construction lending. "The American Banker," February 16, 1988; and

Headline: Consumer Report: Bought by Bank of New England

... The deal is seen as beneficial to both Consumers and Bank of New England. The immense resources of the larger bank will give Consumers deeper pockets, allowing it to rebuild following last year's loss. Consumers has divested all but three of its principal subsidiaries, retaining a secondary mortgage company, a real estate development firm and an insurance premium financing company. "Business Dateline," April 14, 1986.



**\*4** Based on the evidence of record, we find that applicant's services (insurance premium financing information provided via electronic transmission) are closely related to each of the two cited registrant's respective services (commercial premium financial administrative services in the nature of providing financial rates and terms, and mortgage lending services).

We do not find any significant differences in the channels of trade or purchasers for each of the three identified services. While one of the registrations limits the services to "commercial" premium financing information, applicant's identification is not so limited and hence encompasses the "commercial" information offered by that registrant. And it has been shown that insurance premium financing and mortgage lending services are offered to the same purchasers through some of the same channels of trade. Therefore, the trade channels and purchasers at the very least overlap.

Applicant's limitation to "electronic transmission" of such information does not compel a different result, as it is very plausible in today's business world that much information in any of the identified services is or could be transmitted electronically.

Applicant also argues that the purchasers of these respective services are commercial entities with sophisticated purchasing personnel who are able to distinguish between the marks e-PFA and PFA EXPRESS and EPfa. Even assuming, arguendo, that the purchasers of insurance premium financing information services, the services of providing financial rates and terms, and mortgage lending services are all sophisticated, knowledgeable consumers, "even careful purchasers are not immune from source confusion." See *Wincharger Corporation v. Rinco, Inc.*, 297 F.2d 261, 132 USPQ 289 (CCPA 1962); *In re Total Quality Group Inc.*, 51 USPQ2d 1474 (TTAB 1999); and *In re Decombe*, 9 USPQ2d 1812 (TTAB 1988). See also, *In re Hester Industries, Inc.*, 231 USPQ 881, 883 (TTAB 1986) ["While we do not doubt that these institutional purchasing agents are for the most part sophisticated buyers, even sophisticated purchasers are not immune from confusion as to source where, as here, substantially identical marks are applied to related products"]. That is, even relatively sophisticated purchasers of these services are likely to believe that the services come from the same source, if offered under the involved substantially similar and arbitrary marks. See *Weiss Associates Inc. v. HRL Associates Inc.*, 902 F.2d 1546, 14 USPQ2d 1840 (Fed. Cir. 1990); and *Aries Systems Corp. v. World Book Inc.*, 23 USPQ2d 1742, footnote 17 (TTAB 1992).

Turning next to a consideration of the marks, applicant contends that its mark e-PFA (as shown above) and PFA EXPRESS are "markedly distinct marks in terms of sight, sound and appearance." (Brief, p. 5.) Specifically applicant contends that the "e" in its mark relates to "electronic" commerce, while the term "express" in the first cited mark relates to something provided in a fast manner; that the letters "PFA" in its mark are an acronym for "premium financing agreements," while the same letters in the first registrant's mark relate to "premium financing administration"; and that the cadence and rhythm of these two marks is very dissimilar.

**\*5** The Examining Attorney contends that applicant's mark and PFA EXPRESS are "nearly identical" in sight, sound and commercial impression (brief, p. 5); that the dominant portion of each of these two marks is PFA; and that, considering the marks as a whole, the addition of the descriptive letter "e" and the descriptive term "express," respectively, does not negate the similarity of the overall commercial impression of these marks.

We agree with the Examining Attorney that the marks e-PFA and PFA EXPRESS are similar in sight, sound, connotation and overall commercial impression. The more arbitrary and dominant portion in each mark is the letters "PFA." It is, of course, well settled that marks must be considered in their entirety. However, our primary reviewing Court has held that in articulating reasons for reaching a conclusion on the question of likelihood of confusion, there is nothing improper in stating that, for rational reasons, more or less weight has been given to a particular feature or portion of a mark. That is, one feature of a mark may have more significance than another. See *Sweats Fashions Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 4 USPQ2d 1793, 1798 (Fed. Cir. 1987); and *In re National Data Corporation*, 753 F.2d 1056, 224 USPQ 749, 752 (Fed. Cir. 1985).

Moreover, the minor differences are not likely to be recalled by purchasers seeing the marks at separate times. Under actual market conditions, consumers do not have the luxury of a side-by-side comparison of the marks; and further, we must consider the recollection of the average purchaser, who normally retains a general, rather than a specific, impression of the many

trademarks encountered. Thus, the purchaser's fallibility of memory over a period of time must also be kept in mind. See *Grandpa Pidgeon's of Missouri, Inc. v. Borgsmiller*, 477 F.2d 586, 177 USPQ 573 (CCPA 1973); and *Spoons Restaurants Inc. v. Morrison Inc.*, 23 USPQ2d 1735 (TTAB 1991), *aff'd unpub'd* (Fed. Cir., June 5, 1992).

With regard to the connotation of these two marks, applicant's assertion that the letter "A" in "PFA" means or connotes "agreements" in applicant's mark, but it refers to "administration" in the PFA EXPRESS mark is unsupported by any evidence of consumer perception of the letters "PFA" as different acronyms relating to premium financing agreements or premium finance administration; and we are not convinced that the purchasing public would make such a distinction.

Further, during the prosecution of applicant's application, the Examining Attorney inquired as to the meaning of the letters PFA in the relevant trade or industry, and applicant responded that it used the letters to refer to premium financing agreement, but that those terms had no particular significance in the relevant trade or industry. (Applicant's response, filed December 12, 2000, p. 4.)

**\*6** Consumers may well believe that applicant's mark e-PFA simply refers to a modern "electronic" version of the cited registrant's mark PFA EXPRESS.

In comparing applicant's mark e-PFA to the second cited registered mark EPfa, we find that these marks are similar in sound, appearance and overall commercial impression. There is no evidence as to the connotation of the registered mark. Applicant argues that the registered mark is "by all accounts a trade name of a German commercial mortgage company." (Brief, pp. 10-11.) However, applicant is incorrect as the name of this registrant is DePfa Deutsche Pfandbriefbank AG. In any event, there is nothing to indicate that EPfa would be perceived as this registrant's trade name. Again we take into account purchasers' fallible memories. In addition, when spoken, this registered mark could be pronounced as "e-pfa" (i.e., "electronic - pfa") or as a two syllable term "ep-fa." There is no "correct" pronunciation of a trademark. See *In re Belgrade Shoe*, 411 F.2d 1352, 162 USPQ 227 (CCPA 1969); *In re Lamson Oil Co.*, 6 USPQ2d 1041 (TTAB 1987); and *In re Energy Telecommunications & Electrical Association*, 222 USPQ 350 (TTAB 1983).

Finally, although applicant's attorney has represented that there have been no instances of actual confusion since applicant commenced use of its mark in April 1999, such unsubstantiated statement is entitled to little weight. *Majestic Distilling Co.*, *supra*, 65 USPQ2d at 1205 ("With regard to the seventh DuPont factor, we agree with the Board that Majestic's uncorroborated statements of no known instances of actual confusion are of little evidentiary value."). Importantly, in this case, the registered "EPfa" mark is based on Section 44 of the Trademark Act, and in any event, there is no evidence of applicant's and either of the cited registrants' geographic areas of sales, or the amount of the sales under the respective marks. Further, there is no information from the registrants. In any event, the test is likelihood of confusion, not actual confusion. See *Weiss Associates Inc. v. HRL Associates Inc.*, *supra*; and *In re Kangaroos U.S.A.*, 223 USPQ 1025 (TTAB 1984). That is to say, the absence of evidence of actual confusion is offset by the absence of evidence that there has been a substantial opportunity for actual confusion to have occurred (i.e., evidence of an overlap in the respective actual trade channels). In these circumstances, we cannot conclude that the apparent absence of actual confusion is entitled to significant legal weight in the likelihood-of-confusion analysis. See *Gillette Canada Inc. v. Ranir Corp.*, 23 USPQ2d 1768 (TTAB 1992).

**\*7 Decision:** The refusal to register under Section 2(d) is affirmed as to both cited registrations.

#### Footnotes

- 1 Informationally, various electronic transmission services are generally classified in International Class 38.
- 2 Registration No. 2,054,143, issued April 22, 1997 to First Premium Services, Inc., Section 8 affidavit accepted, Section 15 affidavit acknowledged. The term "express" is disclaimed.
- 3 Registration No. 2,479,100, issued August 21, 2001 to DePfa Deutsche Pfandbriefbank AG.
- 4 The "premium finance administrative services" within this cited registrant's identification are further specified by the phrase "in the nature of providing financial rates and terms." Applicant has not argued that it does not provide financial rates and terms.



2003 WL 22102383 (Trademark Tr. & App. Bd.)

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2013 WL 5407313 (Trademark Tr. & App. Bd.)

This Opinion is a Precedent of the TTAB

Trademark Trial and Appeal Board

Patent and Trademark Office (P.T.O.)

JOEL GOTT WINES, LLC

v.

REHOBOTH VON GOTT, INC.

Opposition No. 91197659  
to application Serial No. 77943657

June 26, 2013

\*1 J. Scott Gerien and Aleson R. Kent of Dickenson Peatman & Fogarty for Joel Gott Wines, LLC  
James T. Hollin, Jr. of JT Hollin, Jr, Attorney at Law PC for Rehoboth Von Gott, Inc.

Before Bucher, Lykos and Wolfson  
Administrative Trademark Judges  
Opinion by Wolfson  
Administrative Trademark Judge:

Rehoboth Von Gott, Inc. (“applicant”) filed an application to register the mark depicted below:



for:

Nutritionally fortified water; vitamin enriched water; vitamin supplement in tablet form for use in making an effervescent beverage when added to water; water-based personal lubricants in International Class 5; and

Aerated mineral waters; aerated water; bottled artesian water; bottled drinking water; bottled water; carbonated waters; coconut water; distilled drinking water; drinking water; drinking water with vitamins; essences for making flavoured mineral water; essences for the preparation of mineral waters; flavored bottled water; flavoured mineral water; glacial water; lithia water; magnetically treated water for human consumption and not for medical purposes; mineral and aerated water; mineral and carbonated waters; mineral water; purified bottled drinking water; quinine water; scented water for making beverages; seltzer water; soda water; sparkling water; spring water; still water; syrups for making flavoured mineral waters; table waters in International Class 32. <sup>1</sup>

Joel Gott Wines, LLC (“opposer”) opposed the registration of applicant's mark under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d), on the ground of priority of use and likelihood of confusion with opposer's previously used and registered marks GOTT and JOEL GOTT in standard character form for “wine” in International Class 33.<sup>2</sup> As further grounds for opposition, opposer alleges that applicant's mark is merely descriptive under Section 2(e)(1) of the Trademark Act, 15 U.S.C. § 1052(e)(1),<sup>3</sup> and that the application is void *ab initio* because applicant lacked a *bona fide* intent to use the mark on the identified goods at the time of filing its application. In its answer, applicant denied the salient allegations under Sections 2(d) and 2(e)(1), and in its amended answer, applicant denied the salient allegations of the no bona fide intent to use claim.

\*2 Although the mark GOTT VINES was not pleaded in the notice of opposition, in a footnote to its trial brief, opposer refers to its alleged common law rights in the mark. We do not find, however, that opposer's testimony and evidence regarding this mark have fairly apprised applicant that opposer intended to rely upon its alleged rights to the mark GOTT VINES apart from the marks GOTT and JOEL GOTT.<sup>4</sup> Therefore, we have given the mark GOTT VINES no further consideration. *See* Fed. R. Civ. P. 15(b); TBMP § 507.03(b) (3d ed. rev. 1 June 2012).

### Evidentiary Matters

Before proceeding to discuss the substantive merits of the case, we address the following evidentiary matters. On May 15, 2012, during its testimony period, applicant filed a document entitled “Supplementation of Previous Disclosure by Applicant.” Attached to the document is the declaration of Ms. Violeta Tumen, applicant's corporate secretary, and accompanying exhibits in the form of advertising materials from Peru. On June 8, 2012, opposer filed a motion to strike the declaration and accompanying exhibits on the ground that the filing was procedurally improper. Applicant filed a brief in response to the motion to strike, and the Board deferred determination of the motion until final decision. We hereby grant opposer's motion to strike.

There are a number of ways documents may be introduced into the record under a notice of reliance in a Board proceeding. Certain documents may qualify for admission under Trademark Rule 2.122(e) as official records or printed publications. Documents may qualify for admission if they were provided as a response to an interrogatory, or authenticated by a request for admission, when offered by the adverse (receiving or non-producing) party under Trademark Rule 2.120(j)(1). *See* TBMP §§ 704.10; 704.11 (“Documents provided as all or part of an answer to an interrogatory may be made of record, as an interrogatory answer, by notice of reliance....”; “A party that has obtained documents through disclosure or under Fed. R. Civ. P. 34 may serve on its adversary requests for admission of the authenticity of the documents, and then, during its testimony period, file a notice of reliance, under 37 CFR § 2.120(j)(3)(i), on the requests for admission, the exhibits thereto, and its adversary's admissions....”).<sup>5</sup> Documents produced in response to a document production request cannot otherwise be made of record under a notice of reliance absent a stipulation of the parties approved by the Board. Trademark Rule 2.120(j)(3)(ii); TBMP § 704.11(7) (“documents obtained through disclosure or under Fed. R. Civ. P. 34 may be made of record by stipulation of the parties.”).<sup>6</sup>

\*3 Evidence that does not qualify under either Trademark Rule 2.120(j) or 2.122(e) may be made of record “with appropriate identification and introduction by the witness during the course of [a live testimony] deposition.” TBMP § 702.02. However, documents and other exhibits may not be introduced in connection with the declaration or affidavit of a witness unless the parties have mutually agreed to accept same in lieu of testimony. *See* Trademark Rule 2.123(b); *Tri-Star Marketing LLC v. Nino Franco Spumanti S.R.L.*, 84 USPQ2d 1912, 1914 (TTAB 2007) (“a declaration cannot be submitted in lieu of a testimony deposition absent a stipulation of the parties”); and TBMP § 703.01(b). Here, the parties have not stipulated that Ms. Tumen's declaration may be submitted in lieu of her testimony deposition; therefore it has not been considered. Further, the accompanying exhibits, i.e., advertising materials from Peru, do not qualify as evidence introduced during the course of a “deposition” and are not considered as such.

Even assuming that Ms. Tumen's declaration could be viewed as operating in a manner analogous to a notice of reliance, the exhibit materials attached to Ms. Tumen's declaration are not of the type that would be admissible thereunder. First, the parties have not stipulated to admission of the exhibits that are attached to Ms. Tumen's declaration. Second, the documents

are not answers to interrogatories produced by a party during discovery which are being introduced by its adversary pursuant to Trademark Rule 2.120(j). They are also not official records or printed publications under Trademark Rule 2.122(e), which is specific as to what type of material qualifies as an “official record” or “printed publication.” Promotional material generated by an applicant, labels or hang tags applied to the goods, or similar advertising materials do not qualify as such. Nor does treating the declaration as if it were itself submitted via a notice of reliance render it admissible. The declaration does not qualify as an official record or printed publication “available to the general public in libraries or of general circulation among members of the public or that segment of the public which is relevant under an issue in a proceeding.”<sup>7</sup> Thus, neither the declaration nor the advertising materials are admissible.

Applicant argues that it should be allowed to supplement its discovery responses, served in response to opposer's request for production of documents, pursuant to Fed. R. Civ. P. 26(e)(1). That rule requires that a party supplement its responses when it learns of “additional or corrective information that has not otherwise been made known to the other parties during the discovery process or in writing.” Applicant argues that it is required by law to supplement its responses “regardless of whether such supplementation is done in conjunction with a Notice of Reliance by the acting party” and prays that “the supplemental materials submitted pursuant to Rule 26 be admitted of record.”<sup>8</sup> In its main trial brief, applicant further argues that because opposer supplemented its initial disclosures during its testimony period, applicant should likewise be allowed to supplement its responses as part of its supplementation to its initial disclosures.<sup>9</sup>

\*4 Applicant misapprehends the rule. It is true that Fed. R. Civ. P. 26(e)(1) charges parties with a duty to supplement their discovery responses. But this does not make whatever supplemental material is produced of record in the case. To the contrary, supplemental discovery responses, like all discovery, should not be filed with the Board, “except when submitted with a motion relating to disclosure or discovery, or in support of or in response to a motion for summary judgment, or under a notice of reliance, when permitted, during a party's testimony period.” Trademark Rule 2.120(j)(8). None of the exceptions in Trademark Rule 2.120(j)(8) applies to applicant's submission. Thus, although applicant is correct that it is required to supplement its disclosures and serve the materials on opposer, applicant's supplemental discovery material is not thereby made of record in this proceeding.

For these reasons, we have given Ms. Tumen's declaration and the accompanying exhibits no further consideration.<sup>10</sup>

Opposer also raised objections to evidence submitted by applicant under a notice of reliance, filed on July 26, 2012, after applicant's testimony period closed. Applicant seeks to introduce a printout from the prosecution history of its trademark application, and a copy of the discovery deposition taken under Fed. R. Civ. P. 30(b)(6) of one of its principals, Mr. Lozano-Perez.<sup>11</sup> In its brief, opposer objected to the evidence as untimely.<sup>12</sup> While the prosecution history of applicant's trademark application is automatically of record under Trademark Rule 2.122(b)(1), absent stipulation of the parties approved by the Board, or upon motion granted by the Board, or by order of the Board, discovery depositions are not automatically of record, but rather must be timely submitted during a party's testimony period. *See* Trademark Rule 2.121(a). In view thereof, we have given the Lozano-Perez deposition no further consideration. However, as noted *infra*, portions of the deposition are of record, having been properly submitted by opposer during its testimony period; these have been considered.

#### The Record

Pursuant to Trademark Rule 2.122(b), the record includes applicant's application file and the pleadings. In addition, the record consists of copies of opposer's pleaded registrations and trademark application Serial No. 85509647 for the mark JOEL GOTT for water beverages, as well as a copy of an Office Action from that file. Opposer has also introduced, under notice of reliance, copies of third-party registrations and Internet printouts, including printouts from opposer's website; copies of Certificates of Label Approval (“COLAs”) issued by the Alcohol Tobacco Tax and Trade Bureau (“TTB”) of the U.S. Department of Treasury; applicant's responses to certain of opposer's interrogatories and excerpts of the Fed. R. Civ. P. 30(b)(6) deposition of Mr. Lozano-Perez. Opposer has also made of record the testimony depositions of Mr. Joel Gott, opposer's Managing Member, and

Ms. Kirsten Hampton Brown, an employee of opposer. Each deposition transcript is accompanied by attached exhibits. In light of our rulings above on applicant's trial submissions, applicant has provided no admissible evidence or testimony.

#### Standing

\*5 Because opposer has properly made its pleaded registrations of record, showing opposer as owner and that the registrations are subsisting, opposer has established its standing. *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). *See also*, *Otter Products LLC v. Baseonelabs LLC*, 105 USPQ2d 1252, 1254 (TTAB 2012) (“We find that Opposer's Supplemental Register Registration is sufficient to establish opposer's real interest in this proceeding.”).<sup>13</sup>

#### Priority

Because opposer's pleaded registrations are subsisting and show opposer as the owner, priority is not at issue in this case as to the marks, GOTT and JOEL GOTT, and the goods covered by the registrations, namely, “wine.” *King Candy Co. v. Eunice King's Kitchen, Inc.*, 496 F.2d 1400, 182 USPQ 108, 110 (CCPA 1974) (absent a petition to cancel opposer's cited registration, an applicant cannot, in an opposition proceeding, challenge opposer's priority as to the mark and goods in the cited registration). *See also*, *Otter Products*, 105 USPQ2d at 1254 (owner of Supplemental Register registration need not establish priority in order to prevail on its claim under Section 2(d)). Because opposer's registration for the mark GOTT issued on the Supplemental Register, while opposer need not establish priority of use of its mark GOTT to prevail on its claim of likelihood of confusion with respect to the mark, opposer must still establish ownership of a proprietary interest in the mark by competent evidence. *Otter Products*, 105 USPQ2d at 1255 (“opposer must prove he has proprietary rights in the term ....”) (citing *Otto Roth & Co., Inc. v. Universal Foods Corp.*, 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981)). Further, because opposer's registration is on the Supplemental Register, opposer must prove that it acquired such proprietary interest in its mark before applicant's first use date (which in this case is its constructive use date). In other words, opposer must establish that its proprietary interest in the mark GOTT is superior to applicant's interest in its mark GOTT LIGHT.

Because applicant has not submitted evidence of earlier use, the first use date on which it can rely is the filing date of its application, i.e., February 24, 2010. Opposer has shown its superior proprietary rights in its mark well before that date. Opposer's principal, Joel Gott, testified that opposer has continuously used the mark GOTT for wine since 2005;<sup>14</sup> that since 2006 opposer has sold over 9.5 million bottles of wine labeled with the marks GOTT and JOEL GOTT with total dollar sales of over \$73 million;<sup>15</sup> and that opposer has advertised its GOTT wine through “press stories,” brochures, and print advertising, as well as through in-store advertisements such as “shelf talkers,” bottle display cards, tasting notes and tasting cards.<sup>16</sup> Opposer's GOTT brand wine has also received unsolicited media attention.<sup>17</sup> In addition, opposer's submission of evidence showing its use of the mark GOTT on wine labels (authenticated during Mr. Gott's deposition) further establishes opposer's proprietary rights in its mark. Thus, opposer has established its superior proprietary interest in its mark GOTT before applicant's filing date of February 24, 2010.<sup>18</sup>

\*6 We now turn to a consideration of the issue of likelihood of confusion under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d). Opposer must establish that there is a likelihood of confusion by a preponderance of the evidence.

#### Applicable Law

Our determination under Trademark Act § 2(d) is based on an analysis of the probative facts in evidence that are relevant to the factors bearing on a likelihood of confusion. *See In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). *See also* *Palm Bay Imp., Inc. v. Veuve Clicquot Ponsardin Maison Fondée En 1772*, 396 F.3d 1369, 73 USPQ2d 1689 (Fed. Cir. 2005); *In re Majestic Distilling Co., Inc.*, 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003); and *In re Dixie Rests. Inc.*, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). In considering the evidence of record on these factors, we keep

in mind that “[t]he fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.” *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976). *See also In re Azteca Rest. Enters., Inc.*, 50 USPQ2d 1209 (TTAB 1999).

#### A. Comparison of the Marks

In comparing the marks, we must consider the marks in their entireties as to appearance, sound, connotation and commercial impression, to determine the similarity or dissimilarity between them. *Palm Bay*, 73 USPQ2d at 1692. The test, under the first *du Pont* factor, is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of their overall commercial impression that confusion as to the source of the goods offered under the respective marks is likely to result. *See, e.g., Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 101 USPQ2d 1713, 1721 (Fed. Cir. 2012) (“The proper test is not a side-by-side comparison of the marks, but instead “whether the marks are sufficiently similar in terms of their commercial impression’ such that persons who encounter the marks would be likely to assume a connection between the parties.”)

Because the similarity or dissimilarity of the marks is determined based on the marks in their entireties, the analysis cannot be predicated on dissecting the marks into their various components; that is, the decision must be based on the entire marks, not just part of the marks. *In re National Data Corp.*, 753 F.2d 1056, 224 USPQ 749, 751 (Fed. Cir. 1985). On the other hand, different features may be analyzed to determine whether the marks are similar. *Price Candy Company v. Gold Medal Candy Corporation*, 220 F.2d 759, 105 USPQ 266, 268 (CCPA 1955); *In re National Data Corp.*, 224 USPQ at 751 (nothing improper in giving more or less weight to a particular feature of a mark, provided the ultimate conclusion rests on a consideration of the marks in their entireties). The focus is on the recollection of the average purchaser, who normally retains a general rather than a specific impression of trademarks. *See Sealed Air Corp. v. Scott Paper Co.*, 190 USPQ 106 (TTAB 1975).

\*7 Bearing these principles in mind, opposer's marks are GOTT and JOEL GOTT. Of these, the closest in similarity to applicant's mark GOTT LIGHT is the mark GOTT. Because the design features in applicant's mark are insignificant background elements, applicant has essentially appropriated registrant's mark GOTT without adding any other distinguishing features. Applicant's mark is a combination of opposer's mark GOTT, the additional term LIGHT, and a background design consisting of a rectangular “carrier” and a wave design. As the first and most prominent term in applicant's mark, GOTT is the portion most likely “to be impressed upon the mind of a purchaser and remembered.” *Presto Products, Inc. v. Nice-Pak Products, Inc.*, 9 USPQ2d 1895, 1897 (TTAB 1988). *See also, Palm Bay*, 73 USPQ2d at 1692. The remaining word, LIGHT, appears in smaller and all lower-case letters, in contrast to the lettering style of the word “GOTT,” which is displayed in large letters with the first letter capitalized. Moreover, the term “light” is merely descriptive of a characteristic of applicant's goods, either meaning that they are “low in calories, especially containing less than the usual amount of sugar or fat,”<sup>19</sup> or containing less than the usual amount of minerals and by-products. Opposer provided copies of several Internet websites wherein the term “light” was used to describe spring or mineral water. *See, e.g.,* at [www.finewaters.com](http://www.finewaters.com), an advertisement for Badoit brand water as “a light natural sparkling mineral water”; at <http://www.midasspring.com>, an article about Midas water: “It is considered a ‘light’ mineral water”; and at [www.qafshatama.com](http://www.qafshatama.com), an advertisement for Qafshatama brand water as “being a very light water but also with a rich and equilibrate mineral composition.”<sup>20</sup> The term LIGHT is disclaimed in the application and merely provides descriptive information about applicant's products. For these reasons, it is the subordinate portion of the mark, less likely to be perceived as a distinguishing element of the mark. *See In re Dixie Rests.*, 41 USPQ2d at 1533-34 (disclaimed word “café” is less significant when comparing marks); *National Data*, 224 USPQ at 752 (“a descriptive component of a mark may be given little weight”). *See also In re Chatam Int'l Inc.*, 380 F.3d 1340, 71 USPQ2d 1944, 1946 (Fed. Cir. 2004) (finding JOSE GASPAR GOLD “nearly identical” to GASPAR ALE once the commercial significance of the descriptive and otherwise non-dominant terms JOSE, GOLD and ALE are properly discounted).

\*8 As for the design element, it does not create a separate commercial impression but serves merely as a carrier for the words. Further, even if we were to consider the wave design as creating a separate impression, it is of less significance than the dominant feature, GOTT; moreover, as a water feature, the ocean wave imagery reinforces the connection to applicant's goods



as water beverages and related goods. In the case of marks consisting of words and a design, the words are normally given greater weight because they would be used by consumers to request the products. *In re Dakin's Miniatures, Inc.*, 59 USPQ2d 1593, 1596 (TTAB 1999); *In re Appetito Provisions Co.*, 2 USPQ2d 1553, 1554 (TTAB 1987). *See also, In re Vittera*, 671 F.3d 1358, 101 USPQ2d 1905, 1911 (Fed. Cir. 2012) (“the literal component of brand names likely will appear alone when used in text and will be spoken when requested by consumers”) (*citing Dakin's Miniatures, Inc.*, *supra*). For the reasons we have given, that principle is applicable to applicant's mark.

The marks GOTT and <<Unknown Symbol>> are similar in sight, sound, meaning and overall commercial impressions. They are similar in sight and sound because of the shared term GOTT. They are similar in meaning, whether GOTT means “God,” as argued by applicant (and not disputed by opposer), or would be perceived as a surname (it is the last name of one of opposer's witnesses). Given the dominance of the term GOTT in applicant's mark, and the fact that it is the entirety of opposer's mark, the marks are also similar in their overall commercial impressions.

Likewise, the marks JOEL GOTT and <<Unknown Symbol>> are similar. Because they each contain the same term GOTT, they are similar in appearance and pronunciation. The addition of a first name (JOEL) in opposer's mark simply emphasizes the fact that GOTT connotes a person's name, i.e., an individual whose full name is JOEL GOTT. The marks also engender similar commercial impressions. The *du Pont* factor regarding the similarity of the marks favors a finding of likelihood of confusion.

#### B. Relatedness of the Goods; Trade Channels; Classes of Purchasers

We next consider the similarity or dissimilarity, and nature of, the goods described in the application and registrations, basing our evaluation on the identifications of the goods as listed therein. *Octocom Systems, Inc. v. Houston Computers Services Inc.*, 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). *See also Hewlett-Packard Co. v. Packard Press Inc.*, 281 F.3d 1261, 62 USPQ2d 1001 (Fed. Cir. 2002). It is settled that it is not necessary that the respective goods be identical or even competitive in order to find that they are related for purposes of our likelihood of confusion analysis. That is, the issue is not whether consumers would confuse the goods themselves, but rather whether they would be confused as to the source of the goods. *See In re Rexel Inc.*, 223 USPQ 830 (TTAB 1984). The goods need only be sufficiently related that consumers would be likely to assume, upon encountering the goods under similar marks, that the goods originate from, are sponsored or authorized by, or are otherwise connected to the same source. *See In re Martin's Famous Pastry Shoppe, Inc.*, 748 F.2d 1565, 223 USPQ 1289 (Fed. Cir. 1984); *In re Melville Corp.*, 18 USPQ2d 1386 (TTAB 1991).

\*9 Opposer has submitted marketplace evidence to demonstrate that wine and water are related goods, as well as copies of use-based, third-party registrations showing that the goods are of the type that would emanate from a single source. Opposer's witness, Ms. Hampton<sup>21</sup> testified that she purchased several different brands of water from different winery tasting rooms. Photos of the water bottles that she purchased are attached as exhibits to her deposition; each one bears the name of the winery at which wines under the same brands are sold. For example, Ms. Hampton testified that she purchased a bottle of water while at the tasting room of the Flora Springs Winery that bears the mark FLORA SPRINGS and that FLORA SPRINGS wine was also available in the tasting room. She further testified that she purchased a bottle of water from the Clos du Val Winery in Napa Valley bearing the mark CLOS DU VAL; while there, she saw wine available for purchase under the brand name CLOS DU VAL. She “picked up” a bottle of water from the Alpha Omega winery that bears the marks ALPHA OMEGA and a stylized “A/O” logo; wine was also for sale at the winery, according to Ms. Hampton's testimony, bearing the ALPHA OMEGA mark and the A/O logo. Ms. Hampton also testified that she picked up a bottle of water from the Rombauer Winery bearing the label “Rombauer Vineyards, Napa Valley,” and that wine was also available for sale at the winery under the ROMBAUER name.<sup>22</sup> This testimony suggests that the goods are related.

The use-based, third-party registrations, although not evidence that the marks shown therein are in use or that the public is familiar with them, nonetheless also have probative value to the extent that they serve to suggest that the goods listed therein are of a kind which may emanate from a single source under a single mark.<sup>23</sup> *In re Infinity Broad. Corp.*, 60 USPQ2d 1214, 1217-18 (TTAB 2001); *In re Mucky Duck Mustard Co.*, 6 USPQ2d 1467, 1470 n.6 (TTAB 1988) *aff'd*, 864 F.2d 149 (Fed.

Cir. 1988). *See also, In re Albert Trostel & Sons Co.*, 29 USPQ2d 1783, 1785 (TTAB 1993); TMEP § 1207.01(d)(iii) (October 2012). Overall, the evidence strongly favors a finding of likelihood of confusion with respect to the *du Pont* factor regarding the relatedness of the goods.

Regarding the channels of trade and classes of purchasers, because there are no limitations as to channels of trade or classes of purchasers in the description of goods of either opposer's registrations or applicant's application, it is presumed that the goods move in all channels of trade normal for those goods, and that they are available to all classes of purchasers for those goods. *See Paula Payne Products Co. v. Johnson Publishing Co.*, 473 F.2d 901, 177 USPQ 76 (CCPA 1973); *Kalart Co. v. Camera-Mart, Inc.*, 258 F.2d 956, 119 USPQ 139 (CCPA 1958); *In re Linkvest S.A.*, 24 USPQ2d 1716, 1716 (TTAB 1992). Furthermore, opposer has shown that both parties' goods are or will be marketed to similar retail markets such as grocery stores, and "big box" stores. Opposer's venues include Safeway, Wal-Mart and Costco;<sup>24</sup> Mr. Lozano-Perez, applicant's witness, stated that applicant intends to sell its water in supermarkets.<sup>25</sup> We recognize that merely because goods can both be sold in a large store such as a supermarket or box store would not alone be sufficient to show that consumers would be likely to encounter both in a shopping trip, or assume a common source merely because both types of goods can be found in such a store. However, the evidence shows that the goods can be sold in the same areas of these stores. Thus, applicant's argument that wine is sold in "the appropriate liquor sales section of a retail outlet" while water is sold in a different section of the store is contradicted by the evidence provided by opposer; in addition to Ms. Hampton's testimony, Mr. Gott testified that he conducts market visits to retailers where opposer's wine is sold, and that he has seen water sold in the same section of the store as where opposer's wine is sold.<sup>26</sup> Opposer has also provided copies of the online beverage menus from restaurant websites, showing that restaurants offer both water and wine for sale in the same menu section.<sup>27</sup> Other website printouts submitted by opposer are for online recipes describing how to make popular drinks such as wine spritzers using wine and water as ingredients;<sup>28</sup> and an article from thenibble.com website entitled "The Water Menu, Matching Food to Water is a Hot New Trend," which describes wine and water pairing and food and water pairing.<sup>29</sup> In view thereof, opposer has shown that the parties' identified goods are related products sold through the same trade channels to the same classes of customers.

**\*10** Accordingly, these *du Pont* factors weigh in favor of a finding of likelihood of confusion.

### C. Balancing the factors.

Applicant's mark is <<Unknown Symbol>> for various water beverages. Opposer's marks are JOEL GOTT and GOTT for wine. Applicant's mark, dominated by the word GOTT, is similar to opposer's marks GOTT and JOEL GOTT in sight, sound, meaning and overall commercial impression. The additional elements of applicant's mark are of less significance and do not serve to distinguish applicant's mark from opposer's marks. The word "light" is merely descriptive and the design features serve primarily as background to carry the words. As for the goods, they have been shown to be related, to move through the same channels of trade and to be available to the same classes of consumers. Purchasers of opposer's GOTT and JOEL GOTT wines are likely to assume that applicant's goods, sold under the mark GOTT LIGHT and design, are merely a line extension of goods emanating from opposer. For these reasons, we find that applicant's registration of the mark <<Unknown Symbol>> is likely to cause confusion with opposer's previously used and registered marks GOTT and JOEL GOTT under Section 2(d) of the Trademark Act, 15 U.S.C. § 2(d).

**Decision:** The opposition is sustained. Accordingly, we need not reach opposer's alternative ground for opposition, i.e., whether applicant had a *bona fide* intent to use its mark at the time it filed the application.

### Footnotes

- 1 Application Serial No. 77943657, filed February 24, 2010, pursuant to Section 1(b) of the Trademark Act, alleging that applicant has a bona fide intent to use the mark in commerce. The description of the mark is as follows: "The mark consists of the stylized wording 'GOTT LIGHT' and the design of a stylized wave of water surging upward from right to left. At the bottom of the wave design are



depictions of molecular structures. There is a stylized elliptical-shaped cloud-like design above the word 'GOTT' and a horizontal border running along the top length of the mark." Applicant also entered the following translation statement and disclaimer: "The English translation of GOTT in the mark is God" and "No claim is made to the exclusive right to use LIGHT apart from the mark as shown."

Registration No. 3333020 for the mark GOTT for "wine" registered November 6, 2007 on the Supplemental Register; Section 8 affidavit accepted. Registration No. 2842773 for the mark JOEL GOTT for "wine" registered May 18, 2004; Sections 8 and 15 combined affidavit accepted and acknowledged.

This claim was not argued in the brief and accordingly is considered waived. *See e.g., Knight Textile Corp. v. Jones Investment Co.*, 75 USPQ2d 1313, 1314 n.4 (TTAB 2005).

The testimony provided by opposer regarding the mark GOTT VINES was limited to Mr. Gott's statement that opposer started using the mark in 1997, and a brief description of GOTT VINES as a sub-brand "inside the Joel Gott Wines brand." Gott dep., pp. 6, 10. The evidence of use of the mark GOTT VINES is not highly probative; it consists of copies of Certificates of Label Approval (COLA's) issued by the Alcohol and Tobacco Tax and Trade Bureau for labels that include the mark GOTT VINES. Gott dep., p. 8, exhibit No. 3; opposer's Notice of Reliance, exhibit No. 11. We note that COLA's are not proof that the labels were actually put into use, and the labels themselves use the mark in a clearly subordinate manner to opposer's primary mark JOEL GOTT.

A discovery deposition, an answer to an interrogatory, an admission made in response to a request for admission, or a written disclosure (but not a disclosed document) produced by an adverse party may also qualify for admission by way of a notice of reliance under Trademark Rule 2.120(j).

Documents obtained through disclosure may also be offered as exhibits in connection with the taking of an adversary's discovery deposition, and both disclosure documents and documents received under Fed. R. Civ. P. 34 may be introduced during taking of the testimony of an adversary, the obtained documents introduced as exhibits. TBMP § 704.11.

Trademark Rule 2.122(e).

Applicant's Reply to Motion to Strike Supplemental Evidence, p. 3.

Applicant's Brief, p. 3. Although applicant invokes its duty to supplement its "initial disclosures," it is applicant's duty to supplement its responses to discovery requests that is at issue herein, because the evidence that applicant seeks to admit was submitted in response to opposer's requests for production of documents.

We note, in any event, that the advertising materials appear to be available in Peru only, and not in the United States. Accordingly, they have no probative value.

Applicant also resubmitted copies of Ms. Tumen's declaration and accompanying exhibits.

See TBMP § 702.02(b)(1) and cases cited therein (objections on ground of untimeliness may be raised in adverse party's brief on the case).

Applicant's argument that opposer's filing of unpleaded application Serial No. 85465193, for the mark GOTT for water beverages, is a "subterfuge and fraud" is misplaced. Whether or not opposer pleaded this application, opposer has established its standing. Moreover, the application is not of record in this case and we have given it no further consideration.

Gott dep., p. 7.

*Id.*, p. 27.

*Id.*, exhibit Nos. 8-14.

For example, *Wine Enthusiast Magazine* reviewed a GOTT wine, vintage 2007, in April 2011. *Id.*, exhibit No. 6. A 2006 GOTT vintage was reviewed in Robert Parker's *Wine Advocate* #186 in 2009. *Id.*, exhibit No. 7.

Opposer relies on its common law rights and its Supplemental Register registration of the mark GOTT, but even if opposer were only to have relied on its common law rights, we would find that it has shown a superior proprietary interest in the mark through its actual use dating from 2005, its significant sales and advertising and the unsolicited media attention directed to GOTT brand wine.

*See* the excerpt from the Encarta® World English Dictionary (North American Edition 2009), attached to the first Office action dated May 28, 2010, at <http://encarta.msn.com>.

Exhibit Nos. 4, 6, and 7; opposer's Notice of Reliance.

Although the witness identified herself as Kirsten Hampton Brown, she was addressed as Ms. Hampton throughout the deposition. We have done the same herein.

Photographs of the bottles of water are shown at Exhibit Nos. 1, 5, 7, and 9 to Ms. Hampton's testimony deposition. Pictures of the wine bottles, taken from various websites, were identified by Ms. Hampton as being identical to those she saw at the wineries; they display labels bearing the same marks as the water bottles.

Opposer's Notice of Reliance, exhibit No. 19 contains copies of third-party registrations.

Gott dep., pp. 25-26.

- 25 Lozano-Perez dep., p. 30. Portion submitted by opposer.
- 26 Gott dep., p. 27.
- 27 For example, Lucky Lou's "Drink List" includes wines and bottled water--at [www.luckylousbarandgrill.com](http://www.luckylousbarandgrill.com); the Crab Shell Seafood Restaurant's beverage menu offers various wines, beers, and waters--at [www.crabshell.com](http://www.crabshell.com); and Renee's Place offers a full listing of wines, beers, organic teas, and bottled waters--at [www.reneesplacerestaurant.com](http://www.reneesplacerestaurant.com). Attached as exhibit Nos. 25, 27, and 28 to opposer's Notice of Reliance.
- 28 Opposer's Notice of Reliance, exhibit Nos. 21-23.
- 29 *Id.*, exhibit No. 24.

2013 WL 5407313 (Trademark Tr. & App. Bd.)

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1998 WL 1120389

U.S. District Court Northern District of Illinois

Navistar International Transportation Corp.

v.

Freightliner Corp.

No. 96 C 6922. | Decided Dec. 21, 1998.

**Attorneys and Law Firms**

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Henry Lowell Mason III, Debra J. Stanek, and Rollin Andrew Ransom, of Sidley & Austin, Chicago, for defendants.

**Opinion**

Grady, J.

\*1 Before the court are the parties' cross motions for summary judgment. For the reasons explained below, plaintiff's motion is granted and defendants' motion is denied.

**BACKGROUND**

The facts relevant to these cross motions for summary judgment were outlined in a previous opinion dated September 16, 1998. The following passages are from that opinion:

Plaintiff Navistar is a truck manufacturer that owns, among other trademarks, a federally registered trademark in the word EAGLE. Plaintiff has used this mark since 1981. Defendants, American LaFrance Corporation and its parent company Freightliner Corporation, also manufacture trucks. More specifically, they make fire trucks. Defendants have a registered trademark for the design that appears below:

We refer to this mark as defendants' "composite" mark . . . Defendants have used this mark since 1970.

The origin of this particular dispute dates back to late 1995, when defendants launched a promotional campaign for a new fire truck. As part of this campaign, defendants adopted a new three-word mark for the truck: AMERICAN LAFRANCE EAGLE. (Incidentally, defendants have applied to register this mark in the Patent and Trademark Office.)

Defendants' campaign also used slogans such as "The Eagle Has Landed." Plaintiff objected to defendants' use of the word "eagle" because it thought customers would likely confuse defendants' use of the word "eagle" with plaintiff's EAGLE mark.

Plaintiff filed a six-count complaint alleging, among other things, that defendants are infringing plaintiff's EAGLE mark by using the word "eagle" as a trademark. It also alleges that defendants' use of the mark AMERICAN LAFRANCE EAGLE is likely to cause confusion with plaintiff's EAGLE mark. Among several requests for relief, plaintiff asks the court to order defendants to withdraw their application to register the AMERICAN LAFRANCE EAGLE application and to enjoin defendants from using the word "eagle" as a trademark . . .

. . . Because it is crucial to keep straight the three specific marks and one potential mark at issue in this case, we identify them again before moving on. Plaintiff has a registered trademark for the word EAGLE. Defendants have a registered composite mark (a.k.a. the "AMERICAN LAFRANCE plus bird design" mark). Defendants are also using, and have filed an application to register, the word mark AMERICAN LAFRANCE EAGLE. And finally, according to plaintiff, defendants are using the word "eagle" standing alone as a trademark.

Several months ago, the parties submitted cross summary judgment motions on plaintiff's claims, defendants' eight affirmative defenses and defendants' two-part counterclaim for declaratory judgment. We resolved most of the plethora of issues raised by the cross motions. *See* Memorandum Opinion Dated September 16, 1998.<sup>1</sup> One such issue was how the "continuing commercial impression" rule, also known as the "tacking" rule, applied to the priority of use dispute in this case. We originally decided that the tacking rule presented a question of law for the court to decide and then we resolved the issue. *See* Memorandum Opinion Dated September 16, 1998 at 5. Upon reconsideration, we vacated that holding and held that tacking was a question of fact for the fact finder. *Navistar v. Freightliner*, 96 C 6922, 1998 WL 786388, \*5 [ 49 USPQ2d 1116 ] (N.D. Ill. Nov. 6, 1998). Because we determined that tacking was not a question of law, we also vacated our earlier resolution of the issue and ordered the parties to rebrief the issue as if it were a question of fact to be decided on summary judgment. *Id.* at 5-6. We specifically asked the parties to address the evidentiary showing required in order for tacking to be appropriate. *Id.* at 6. The parties have completed their briefing, and we can now resolve the issue

of tacking as it relates to both parties' motions for summary judgment, explained in more detail below.

## DISCUSSION

### A. PRIORITY OF USE AND TACKING RULE

\*2 A party in a trademark dispute can prevail under the doctrine of “priority of use” if the party demonstrates that it used the allegedly infringing mark first. *Zazu Designs v. L'Oreal, S.A.*, 979 F.2d 499, 503 [ 24 USPQ2d 1828 ] (7th Cir. 1992). A party can also establish priority of use by demonstrating that it used a variation of the infringing mark first. Situations involving priority based on variations of trademarks are governed by the “tacking” rule, which allows a party to add time spent using an older mark to the time spent using a newer mark if both marks make the “same, continuing commercial impression.” *Lincoln Logs, Ltd. v. Lincoln Pre-Cut Log Homes, Inc.*, 971 F.2d 732, 735 [ 23 USPQ2d 1701 ] (Fed. Cir. 1992); *see also Data Concepts, Inc. v. Digital Consulting, Inc.*, 150 F.3d 620, 623 [ 47 USPQ2d 1672 ] (6th Cir. 1998) (same statement of the rule); 2 J. Thomas McCarthy, *Trademark Law and Unfair Competition* Section 17:26, at 17-40 (“[N]either abandonment nor loss of the ability to tack-on to achieve priority will occur if the new form of the mark creates the same commercial impression as did the old form.”).

The reason for the tacking rule is that “[t]rademark rights inure in the basic commercial impression created by a mark, not in any particular format or style.” McCarthy Section 17:26. This flexibility in trademark law allows users to modernize their trademarks without losing years of accumulated value in, or goodwill toward, their trademarks. *Id.* Although the Seventh Circuit has never formally adopted the tacking rule, it has adopted a similar rule in the somewhat analogous context of abandonment. *See Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 955 [ 24 USPQ2d 1001 ] (7th Cir. 1992) (“Minor changes in a mark which did not change the basic, overall commercial impression created on buyers will not constitute any abandonment [when determining priority of use].”). We add that neither party disputes the applicability of the rule. *Cf.* McCarthy Section 17:26 (mentioning no cases rejecting the rule).

Defendants have raised the tacking rule in this case in the following manner: first, they argue that they have priority

with respect to their composite mark because it is older than plaintiff's EAGLE mark; secondly, they argue that their priority in the composite mark also gives them priority with regard to the AMERICAN LAFRANCE EAGLE mark because the two marks make the same commercial impression;<sup>2</sup> and thirdly, they argue that their priority in the composite mark also gives them priority with regard to the mark EAGLE because these two marks make the same commercial impression as well.<sup>3</sup> With these arguments in mind, we turn to an analysis of the tacking rule.

#### \*3 1. A Threshold Issue: Whether Defendants Can Avail Themselves of the Tacking Rule

A threshold issue is plaintiff's contention that tacking is appropriate only when an older mark is no longer being used, having been replaced by a newer mark. Plaintiff points to evidence indicating that defendants are still using their older mark (i.e., the composite mark) In response, defendants argue that tacking is appropriate even if a party continues to use the older mark.

Plaintiff's view of the law on tacking is problematic because it lacks authority. Plaintiff provides no case law holding that a party seeking to tack must have discontinued use of the older mark, and we found no such case. If given the chance, plaintiff might respond that this issue has never arisen because parties seeking to tack have ordinarily discontinued use of their older marks. But the fact that past litigants have chosen a certain course of action does not help us determine what the law should be.

Just as plaintiff's view lacks precedent, so does defendants'. One case potentially supports defendants, but it did not squarely address the issue of whether a party seeking to tack must have discontinued use of its older mark. *See Humble Oil & Refining Co. v. Sekisui Chem. Co.*, 165 U.S.P.Q. 597, 602 (T.T.A.B. 1970) (permitting tacking of one mark onto another while mentioning that party had simultaneously used both marks).

Fortunately, we need not base our decision on the scant precedent. A more solid ground is a consideration of the reasons why a party should be required to discontinue its use of an older mark in order to invoke the tacking rule. It is significant that plaintiff does not suggest any such reasons. The only reason we can imagine would be to prevent a trademark owner from expanding the scope of its statutorily-granted protection. At first blush, it seems that if defendants can use both marks, their protection would expand. But we must remember that “[t]rademark rights inure in the

basic commercial impression created by the mark, not in any particular format or style.” McCarthy Section 17:26. McCarthy’s point suggests to us that defendants’ right in the commercial impression created by their mark is not limited to one particular form. We see no reason why defendants should not be allowed to claim priority by tacking onto the older mark even if they are still using it, so long as the older and newer marks make the same commercial impression. Accordingly, we accept defendants’ view that tacking can be appropriate even when the party continues to use the older mark.

## 2. Test for Tacking

Because defendants can avail themselves of the tacking rule, we must determine how the rule should be applied. We have held that tacking is a question of fact, not law. *Navistar v. Freightliner*, 96 C 6922, 1998 WL 786388, \*5 [ 49 USPQ2d 1116 ] (N.D. Ill. Nov. 6, 1998).<sup>4</sup> In that November opinion, we also pointed out that the Seventh Circuit has never outlined an evidentiary test for tacking, and that the parties have never presented the court with a test for determining whether tacking is appropriate. *Id.* at \*6. We ordered the parties to brief the legal and factual aspects of this issue so we could determine whether it is susceptible of resolution on summary judgment. *Id.*

\*4 As the language of the tacking rule suggests, the test is relatively simple. *Cf. ILCO Corp. v. Ideal Sec. Hardware Corp.*, 527 F.2d 1221, 1224 [ 188 USPQ 485 ] (C.C.P.A. 1976) (“The only requirement in [situations of tacking] is that the mark be modified in such a fashion as to retain its trademark impact and symbolize a single and continuing commercial impression.”). The following series of questions may be helpful in analyzing disputes about tacking: (1) do the marks make the same commercial impression?<sup>5</sup>; (2) are the two impressions continuous?<sup>6</sup>; and finally, (3) are the marks being used on the same or substantially similar goods or services?<sup>7</sup> We add that the party seeking to tack bears the burden of establishing each prong of the test. *ICON Solutions, Inc. v. IKON Office Solutions, Inc.*, 97-4178, 1998 U.S. Dist. LEXIS 9101, \*21 (E.D. Pa. June 12, 1998) (stating that party seeking to tack “bears the burden of proving that [the] two marks are indistinguishable”) (citing *Yeager Fuel, Inc. v. Pennsylvania Power & Light Co.*, 22 F.3d 1260, 1266 (3d Cir. 1994)).

To elaborate further, the two marks at issue must make the same impression, so that the party seeking to tack is not

allowed to expand its trademark rights. There must not be “the tacking of a mark with a narrow commercial impression onto one with a broader commercial impression,” a result which “would be clearly contrary to well-established principles of trademark law.” *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1160 [ 17 USPQ2d 1866 ] (Fed. Cir. 1991). As for whose impression matters, it is the impression of consumers for the product at issue that matters. *See Data Concepts*, 150 F.3d at 623 (6th Cir. 1998) (tacking permitted “only if . . . consumers consider both as the same mark”); *Van Dyne-Crotty*, 926 F.2d at 1159 (“the consumer should consider both as the same mark”); *ICON Solutions*, 1998 U.S. Lexis at \*16 (quoting *Van Dyne-Crotty*); *see also ILCO Corp.*, 527 F.2d at 1224 (“commercial impression is gauged by the impact on the public, in this case hardware store operators and their customers”).<sup>8</sup>

Defendants argue that we can apply a tacking test without resort to evidence of consumers’ perceptions, but we disagree. Because the inquiry is how consumers perceive the marks, there must be some evidence demonstrating those perceptions. It is inconsequential that no case holds that a party seeking to tack must submit consumer perception evidence. It is also inconsequential that some cases decide tacking without such evidence; most, if not all, of these decisions view tacking as a question of law to be determined by the court. We have concluded that, in this Circuit, tacking is a question of fact and one who asserts the doctrine must, therefore, support it with probative evidence.<sup>9</sup>

\*5 Furthermore, it is irrelevant that the “likelihood of confusion” test for infringement does not require consumer perception evidence. Although the likelihood of confusion test is similar to the tacking test, the standard for tacking is “far higher than the likelihood of confusion standard applicable to the underlying trademark infringement dispute.” *ICON Solutions*, 1998 U.S. Dist. LEXIS 9101 at \*16. The test for infringement is whether there is a *likelihood* that consumers would confuse the marks (or, more precisely, a likelihood that the marks would confuse the consumers). The test for tacking is whether two marks make the same commercial impression -- not whether it is *likely* that they will make the same commercial impression. Considering the matter in this light, it is clear why tacking can require a more substantial evidentiary showing than infringement.

## B. APPLICATION OF THE TACKING RULE TO THIS CASE



### *I. Defendants' Motion for Summary Judgment*

Defendants claim that their use of the allegedly infringing AMERICAN LAFRANCE EAGLE mark has priority over plaintiff's use of its EAGLE mark. Defendants contend their priority is based on the fact that their AMERICAN LAFRANCE EAGLE mark makes the same commercial impression as the composite mark they have been using since 1970. They claim the years dating back to 1970 can be tacked onto their post-1994 use of the AMERICAN LAFRANCE EAGLE mark. This would give them priority over plaintiff's use of the EAGLE mark, which began in 1981.

#### **A. A PRELIMINARY ISSUE: THE APPLICABILITY OF THE DOCTRINE OF LEGAL EQUIVALENTS**

Defendants insist that when applying the test for tacking to their composite and AMERICAN LAFRANCE EAGLE marks, we must first apply the doctrine of legal equivalents. This doctrine, also known as "picture-word equivalency," is used in the context of infringement. It holds that trademark rights in a picture mark encompass rights in a word if the picture evokes the mental impression of the word (or vice versa). *See, e.g., Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254 [ 2 USPQ2d 1677 ] (2d Cir. 1987) (upholding district court finding that consumers would likely confuse defendant's word mark PEGASUS with plaintiff's picture mark of a flying horse). Defendants' view is that because the pictorial image of a bird in their composite mark is the literal equivalent of an eagle, "the doctrine operates to translate the AMERICAN LAFRANCE and eagle design mark into its equivalent: the word mark AMERICAN LAFRANCE EAGLE." Defendants' Supplemental Brief on Tacking at 6.

Although we recognize the validity of the doctrine of equivalents, we disagree with defendants' argument that the doctrine plays a part in the tacking inquiry. Tacking and legal equivalency are distinct inquiries that apply in different ways and, most importantly, in different contexts. Tacking is applied in the priority of use context; the doctrine of legal equivalents is applied in the infringement context: if a trademark owner sues for infringement of his word mark, the scope of his rights covers the pictorial equivalent of his word mark (or vice versa). We have found no case applying the doctrine of legal equivalents in the context of priority disputes. The governing rule in priority disputes is the tacking rule. Significantly, defendants state in their final brief that the doctrine of legal equivalents is "admittedly a distinct doctrine" from tacking. Defendants' Reply Brief on Tacking at 3.

\*6 The doctrine of legal equivalents and the tacking rule involve different inquiries that require different evidentiary showings. Specifically, as we have stated, tacking is to be determined based on evidence of the commercial impression of consumers, whereas legal equivalence can be determined without such evidence. *See Mobil Oil*, 818 F.2d at 257 (determination of legal equivalence based on "common sense and testimony from company executives). We see no reason to depart from a tacking analysis in priority disputes in favor of a test used in another context.<sup>10</sup>

Importantly, defendants have not cited a decision applying the doctrine of legal equivalents in a priority dispute. Instead, defendants emphasize that in our September 16th opinion, we said that the doctrine of legal equivalents "informed" our tacking analysis. *See Memorandum Opinion Dated September 16, 1998 at 8 n. 2* (concluding that defendants' marks made the same commercial impression, based in part on conclusion that bird pictorial was the legal equivalent of the word "eagle"). But we have now rejected that reasoning. *See Navistar*, 1998 WL 786388 at \*5. In the September decision, we were operating under the assumption that tacking was a matter of law to be decided by the court, and we thought the doctrine of legal equivalents was a useful tool that informed courts about the commercial reality of consumers' perceptions. *Memorandum Opinion Dated September 16, 1998 at 8, n. 2*. We have since ruled that tacking is a question of fact to be decided by the fact finder based on evidence of consumers' perceptions. *See Navistar*, 1998 WL 786388 at \*5<sup>11</sup>; *supra*. Now we regard the doctrine as an unnecessary tool: evidence of consumers' perceptions is required, and a party seeking to tack should not be able to invoke the doctrine of legal equivalents in an attempt to avoid presenting such evidence.<sup>12</sup>

#### **B. RETURNING TO THE TACKING INQUIRY**

As for establishing priority based on the tacking rule, defendants make two arguments. First, they quote portions of our September 16th opinion where we reasoned that their two marks make the same commercial impression. For example, they quote our remark that the absence of the Maltese cross in the new mark is "immaterial" because the cross was "hardly noticeable" to begin with. *See Opinion Dated September 16, 1998 at 6*. The problem with defendants' argument is that we have vacated this reasoning. *See supra* note. Tacking is a question of fact, and furthermore, it is a question of fact that

depends on consumers' perceptions, not on our opinion about what is "hardly noticeable."

Defendants also attempt to prevail under the tacking rule by claiming that they provided evidence of the commercial impression made by their two marks when they originally filed for summary judgment. Defendants do not explain this evidence or incorporate it into their briefs; they simply direct us to ten different parts of the materials they submitted. *See* Defendants' Response to Plaintiff's Supplemental Brief at 7.

\*7 One reference is to a paragraph in the affidavit of William Thomas, Marketing Manager for American LaFrance Corporation. Thomas attests that his company chose the mark AMERICAN LAFRANCE EAGLE "in order to create a connection between the new trucks and the trucks that the company sold under the [composite mark]." This testimony is irrelevant. The motive of the company in adopting the three-word mark has no bearing on consumers' perceptions of the two marks.

Another citation is to the affidavit of Arnold Heller, the Vice President of Sales for American LaFrance Corporation. Heller attests that the AMERICAN LAFRANCE EAGLE mark "connects the new fire trucks with the trucks that American LaFrance sold for over twenty years under the [composite mark]." This conclusory statement sheds no light on what the actual commercial impressions of the marks are.<sup>13</sup> Equally unhelpful is a supplemental declaration by Heller to which defendants cite.

We need not parse through the remaining materials to which defendants have directed us. It is clear that defendants are not entitled to summary judgment on their tacking theory. Genuine factual issues exist as to whether the original and later marks create the same commercial impression. Defendants' motion will be denied.

### C. LIKELIHOOD OF CONFUSION

When we decided defendants' original summary judgment motion and ruled that defendants had priority with regard to the mark AMERICAN LAFRANCE EAGLE, we had no need to consider defendants' back-up argument that they are not infringing because there is no likelihood of confusion between plaintiff's EAGLE mark and defendants' AMERICAN LAFRANCE EAGLE mark. This issue was fully briefed at that time, and defendants ask us to consider their likelihood of confusion argument now. It is appropriate for us to do so.

The Seventh Circuit uses seven factors to determine whether confusion about trademarks is likely: (1) similarity of the marks; (2) similarity of the products; (3) area and manner of concurrent use; (4) care likely to be exercised by consumers; (5) strength of the plaintiff's mark; (6) actual confusion; and (7) any intent of defendant to "pass-off his product as that of another." *Smith Fiberglass Prods., Inc. v. Ameron, Inc.*, 7 F.3d 1327, 1329 [ 28 USPQ2d 1614 ] (7th Cir. 1993). No one factor is determinative. *International Kennel Club v. Might Star, Inc.*, 846 F.2d 1079, 1087 [ 6 USPQ2d 1977 ] (7th Cir. 1988); *see also Navistar*, 1998 WL 786388 at \*3 n. 3 (concluding that the Seventh Circuit has not abandoned this maxim).

The first factor is the similarity of the marks. An obvious similarity here is that both marks use the word "eagle." An obvious difference is that defendants' mark additionally uses the words "American LaFrance." This difference reduces the likelihood of confusion. *Cf. Ziebart Intern. Corp. v. After Market Assoc.*, 802 F.2d 220, 226-27 [ 231 USPQ 119 ] (7th Cir. 1986) (prominent display of different names on marks reduces likelihood of confusion of otherwise similar marks). But while this difference reduces the likelihood of confusion, we cannot say as a matter of law that it eliminates the likelihood. The fact remains that the marks both use the word "eagle." *Cf. A.T. Cross Co. v. Jonathan Bradley Pens, Inc.*, 470 F.2d 689, 692 [ 176 USPQ 15 ] (2nd Cir. 1972) (adding words to a mark "does not save the day" because "a purchaser could well think plaintiff had licensed defendant as a second user"). There is a genuine factual issue regarding this factor. *See O'Connor v. DePaul University*, 123 F.3d 665, 669 (7th Cir. 1997) (in considering a summary judgment motion, the court construes all evidence in the light most favorable to the nonmoving party).

\*8 The second factor is whether the parties' products are similar. Defendants argue that they use their AMERICAN LAFRANCE EAGLE mark on fire trucks while plaintiff uses its EAGLE mark on highway trucks. According to defendants, the United States Patent and Trademark Office does not include highway trucks and fire trucks in the same class under its product classification system. Defendants also emphasize that plaintiff's own expert opined that the products are different. Finally, defendants point out that plaintiff has agreed to let Chrysler use an EAGLE mark on Chrysler truck products (apparently on trucks for personal use), an agreement which allegedly demonstrates that plaintiff understands that not all trucks are the same.

It is true that the parties' products are not the same. But the question is whether the products are *similar*. *Smith*, 7 F.3d at 1329. Furthermore, the products "need not be in direct competition" and they "need not be identical." *Forum Corp. of North America v. Forum, Ltd.*, 903 F.2d 434, 442 [ 14 USPQ2d 1950 ] (7th Cir. 1990). Fire trucks and highway trucks are similar enough. Besides, plaintiff has submitted evidence showing that the parties sell trucks in each other's markets. Plaintiff's 12N Statement Para.68 (defendants sell trucks in the "heavy-duty" truck market); *id.* Para. 69 (citing Deposition of David Johansson at 106-107, which says that one of plaintiff's models bearing its EAGLE mark was purchased for use as a fire truck). There is a genuine factual issue regarding this factor.

The third factor, area and manner of concurrent use, depends on whether there is a "relationship in use, promotion, distribution, or sales" between the parties' goods. *Forum*, 903 F.3d at 442. Defendants emphasize (1) that use of the goods does not overlap because the parties' trucks serve different purposes -- defendants' trucks are purchased for use as fire trucks, while plaintiff's trucks are purchased for commercial highway shipping use; (2) that marketing of the goods does not overlap because defendants advertise their trucks almost exclusively in fire truck magazines, magazines which plaintiff allegedly avoids; and (3) that distribution channels are separate because the parties use distinctly different dealers.

Plaintiff submits evidence that it has marketed some of its trucks at fire industry trade shows. Plaintiff's 12N Statement at Para.72 (Deposition of Cameron Jacobsen at 15-25) (stating that at fire industry trade shows, plaintiff uses photographs to market two particular trucks that bear its EAGLE mark). There is also evidence that plaintiff has advertised in trade publications marketed to the fire services industry. *Id.* (Deposition of Cameron Jacobsen at 16). Moreover, as stated in connection with the previous factor, there is evidence of overlapping use of the parties' goods -- one of plaintiff's trucks was purchased for use as a fire truck. Because there is evidence of overlapping trade channels for the parties' trucks, there is a genuine issue of material fact as to this factor.

\*9 This fourth factor is the degree of care likely to be exercised by consumers. Defendants argue that if the cost of the products at issue is high, or if the purchasers are sophisticated, confusion is less likely because purchasers are more likely to be discriminating. *See Ford Motor Co.*

*v. Summit Motor Prods.*, 930 F.2d 277, 293 [ 18 USPQ2d 1417 ] (3rd Cir. 1991) ("[S]ome buyer classes, for example, professional buyers, or consumers of very expensive goods, will be held to a higher standard of care than others."). The Seventh Circuit has expressed its belief that purchasers of high value items are "likely to study the product they are purchasing more carefully than the purchaser of a low value item." *Union Carbide v. Ever-Ready*, 531 F.2d 366, 388 [ 188 USPQ 623 ] (7th Cir. 1976). The product at issue here are relatively expensive. A custom fire truck chassis such as one manufactured by defendants can apparently cost between \$120,000 and \$250,000. Of course, an expensive product does not guarantee that confusion is unlikely: "There is substantial case law to indicate that even those who deal in the most sophisticated expensive marketplace may be led astray." *Koppers Co. Inc. v. Krupp-Koppers*, 517 F.Supp. 836, 845 [ 210 USPQ 711 ] (W.D. Pa. 1981), *aff'd mem.*, 676 F.2d 686 (3rd Cir. 1982). While it is probable that consumers of expensive truck products like the ones at issue here will exercise a large degree of care, there is still a genuine issue as to this factor.

The fifth factor is the strength of plaintiff's mark. This factor depends in part upon third-party use of marks similar or identical to plaintiff's. *See, e.g., Singh v. V. Patel & Sons, Inc.*, 851 F.Supp. 318, 325 [ 31 USPQ2d 1933 ] (N.D. Ill. 1994) (stating that "widespread third-party usage of the elemental components of [plaintiff's] mark can greatly dilute its strength"). Defendants estimate that there are approximately sixty active registrations for EAGLE work marks in the trademark class that includes highway trucks such as plaintiff's. Plaintiff responds with survey evidence demonstrating that over 76% of respondents had seen or heard of an EAGLE heavy-duty truck. Over 71% of respondents identified plaintiff or its predecessors as the manufacturer of the EAGLE truck. As for third-party use of the word "eagle," plaintiff contends that its expert found that fewer than 1% of survey respondents named a manufacturer other than plaintiff. Based on these results, plaintiff's survey expert concluded that "the name EAGLE is clearly a well known and famous mark for a truck." Defendants respond that plaintiff's expert report is flawed because it sampled such a narrow universe as to make it irrelevant. This argument only serves to create a genuine issue of material fact as to this factor.

\*10 The sixth factor is whether there has been any actual confusion. Although defendants have been using their AMERICAN LAFRANCE EAGLE mark for over a year, there is no evidence that any consumer has actually confused defendants' mark with plaintiff's. However,



“actual confusion is not essential to show likelihood of confusion.” *Nike*, 6 F.3d 1225, 1231 [ 28 USPQ2d 1385 ] (7th Cir. 1993).<sup>14</sup> Moreover, plaintiff has submitted survey evidence demonstrating confusion, and survey evidence is an acceptable substitute for evidence of actual confusion. See *AHP Subsidiary Holding Co. v. Stuart Hale Co.*, 1 F.3d 611, 618 [ 27 USPQ2d 1758 ] (7th Cir. 1993). Plaintiff's expert report indicates that a survey respondent believed that defendant Freightliner was the manufacturer of the EAGLE heavy-duty truck. 12N at 76. Defendants criticize the survey's methodology, but the survey does not demonstrate the absence of a genuine issue of fact as to the likelihood of confusion. See *id.*<sup>15</sup>

The final factor is whether defendants adopted the AMERICAN LAFRANCE EAGLE mark in bad faith. There is no “smoking gun” evidence that defendants deliberately adopted their new mark in an effort to trade on plaintiff's good will. But there is evidence that plaintiff warned defendants twice about its federally registered trademark rights in EAGLE. Plaintiff's 12N Statement at Para.79. Also, defendants were aware of plaintiff's use of an EAGLE mark, *Id.* at Para.80, and defendants' management personnel discussed plaintiff's use of the word EAGLE but, in the words of one of defendants' executives, “it didn't stop us from going ahead.” *Id.* at Para.84 (citing Deposition of Debra NicholSEN at 55). This evidence creates a genuine issue of material fact on this factor.

The question at this stage is whether defendants have presented undisputed facts showing they are entitled to judgment as a matter of law. Fed.R.Civ.P. 56(c) (summary judgment should be granted upon a demonstration “that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law”). Clearly, defendants have not made such a showing. See *Kennedy v. Children's Serv. Soc'y of Wis.*, 17 F.3d 980, 983 (7th Cir. 1994) (“A dispute over material facts is genuine if ‘the evidence is such that a reasonable jury could return a verdict for the nonmoving party.’”) (quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986)); *McGrath v. Gillis*, 44 F.3d 567, 569 (7th Cir. 1995) (The court will enter summary judgment against a party who does not “come forward with evidence that would reasonably permit the finder of fact to find in [its] favor on a material question.”). This issue should go to a jury. Cf. *Nike*, 6 F.3d at 1228 (reversing summary judgment grant in favor of plaintiff in trademark case because “a jury may well disagree” on the confusion issue), *AHP*, 1 F.3d at 616 (“We have stated a number of times that the trial court's ultimate conclusion on the likelihood of confusion is a

finding of fact. Accordingly, a motion for summary judgment must be approached with great caution.”) (citation omitted); *Imperial Service Sys. v. ISS Int'l*, 701 F.Supp. 655, 658 [ 12 USPQ2d 1483 ] (N.D. Ill. 1988) (questions regarding the degree of similarity between two trademarks are “peculiarly jury questions”).

#### \*11 2. Plaintiff's Motion for Partial Summary Judgment

Plaintiff seeks partial summary judgment on defendants' sixth affirmative defense, which asserts that defendants “possess the exclusive right to use the mark EAGLE in connection with fire trucks and fire truck chassis as a result of defendants' prior registration of [the composite mark].” This “priority of use” affirmative defense is unrelated to defendants' above-analyzed “priority of use” argument. There, defendants were arguing they had priority of use for their AMERICAN LAFRANCE EAGLE mark. Here, defendants are arguing that they have priority with respect to their use of the word “eagle” as a mark. To be clear, we are no longer discussing plaintiff's use of the phrase “American LaFrance Eagle” as a mark.

When the parties originally argued their cross motions, it appeared that defendants were arguing that their right to use the word “eagle” as a mark was based on two independent grounds. First, defendants argued that the doctrine of equivalents operated to give defendants priority for the word “eagle” because their composite mark was the legal equivalent of the word “eagle.” Our rejection of defendants' argument on the doctrine of equivalents is not at issue here.

The second ground was tacking. Defendants were claiming priority by tacking use of their composite mark onto use of the mark “eagle,” claiming that the two made the same commercial impression. We rejected that ground as well, deciding that defendants' composite mark did not make the same commercial impression as their EAGLE mark. Of course, our decision was based on the premise that tacking was a question of law for the court to decide. We subsequently held that tacking was a question of fact, and as part of that holding, we gave defendants “an opportunity to prove that the commercial impression of their EAGLE mark and composite mark is the same.” *Navistar*, 1998 WL 786388 at \*7.

Defendants have chosen to forgo this opportunity. They unequivocally state that they do not seek to tack their use of the word “eagle” to their use of the composite mark. Defendants' Response to Plaintiff's Supplemental Brief on Tacking, at 2 n.2. Consequently, we have no choice but to

reject tacking as a ground for defendants' sixth affirmative defense. Defendants have not provided any other ground to prevail on this affirmative defense. We therefore grant plaintiff summary judgment on defendants' sixth affirmative defense.

Defendants' summary judgment motion is denied. Plaintiff's summary judgment motion is granted with respect to defendants' sixth affirmative defense.

#### All Citations

Not Reported in F.Supp.2d, 1998 WL 1120389, 52 U.S.P.Q.2d 1074

### CONCLUSION

#### Footnotes

- 1 Among other things, we (1) denied summary judgment to defendants on plaintiff's allegations of infringement based on defendants' use of the word "eagle"; (2) granted summary judgment to plaintiff on defendants' fourth, fifth, seventh and eighth affirmative defenses; (3) denied summary judgment to plaintiff on the first aspect of defendants' counterclaim; and (4) granted summary judgment to plaintiff on the second aspect of defendants' counterclaim.
- 2 Defendants currently seek summary judgment based on this argument.
- 3 Plaintiff seeks summary judgment rejecting this argument, which was raised by defendants in connection with their sixth affirmative defense.
- 4 For some reason, defendants continue to argue that tacking presents a question of law. We reject their argument for the following reasons: (1) defendants have had two opportunities to convince the court on this issue (i.e., on their motion for summary judgment and on plaintiff's motion for reconsideration of the disposition of defendants' motion); (2) we have fully considered this issue and come to our conclusion that tacking is a question of law, see *Navistar v. Freightliner*, 1998 WL 786388 at \*5 ("[W]e conclude that plaintiff is correct that tacking should be considered a question of fact in the Seventh Circuit."); and (3) defendants do not seek further, formal reconsideration of our conclusion; they simply reargue the issue without reference to any standard for reconsideration.
- 5 The "commercial impression" of a trademark is the "meaning" or "idea" it conveys, or the "mental reaction" it evokes. *Spice Islands, Inc. v. Frank Tea & Spice Co.*, 505 F.2d 1293, 1296 [ 184 USPQ 35 ] (C.C.P.A. 1974).  
 Defendants propose that two marks make the same commercial impression if there is proof that:  
 The marks are similar, visually, aurally, and in connotation, and they impart the same amount of information. Thus, differences between the marks are minor, i.e., added elements are not relevant in identifying the origin of the goods and the modifications nonetheless retain the mark's distinctive characteristics.  
 Defendants' Supplemental Brief on Tacking at 4 (citations omitted). Not only is this proposed analysis stated in unclear grammatical terms, but it is also misguided: the fundamental inquiry is whether the two marks make the same commercial impression, not whether the two marks are similar in appearance. Of course, two marks that are similar in appearance *may* make the same commercial impression, but that will not necessarily be true.  
 On a similar note, plaintiff proposes that "even if two marks create the same continuing commercial impression, tacking is improper if the later mark attempted to be 'tacked' differs materially from or alters the character of the original mark." Plaintiff's Opening Memorandum, at 8. Some courts have adopted this as a consideration. See, e.g., *Lincoln Logs*, 971 F.2d at 735. We believe this consideration is inappropriate because it shifts the focus away from the true inquiry, which is whether two marks make the same commercial impression." Even if a new mark "alters the character" of an old mark, it is possible for the two marks to make the same commercial impression (depending, of course, on what "character" means). Besides, any change to a mark would necessarily "alter" its exact character; applying this rule literally would mean that no change would be permissible. This is not the law.  
 Even the "material difference" standard mentioned in plaintiff's proposal is problematic. No decision we read suggested or applied a standard for materiality, and in any event, it seems that a material difference would exist only if consumers perceived the new mark differently, which brings us back to the question of the impressions made by the marks on consumers. Considered in this vein, applying a materiality test would basically be a duplication of efforts to determine the marks' commercial impressions. Furthermore, although several courts mention plaintiff's proposed consideration, we found no case justifying it, and plaintiff has not attempted to justify it. In light of our doubts about its worth, we decline plaintiff's invitation to add this consideration.

6 By “continuous,” we simply mean that the same impression must continue from the old mark to the new mark. See McCarthy Section 17:25 (“The test is one of continuity. A mark can be modified or changed without abandonment or loss of priority if done in such a way that the continuing common element of the mark retains its impact and symbolizes a continuing commercial impression.”).

Plaintiff proposes a much stricter, two-fold test for continuity: first, a party seeking to tack must demonstrate the commercial impression of the older trademark dating back to its first use in commerce; and second, the party must demonstrate that this commercial impression continued up to the time when the new trademark was first used. If applied here, defendants would have to demonstrate the commercial impression of its composite mark back in 1970. They would then have to demonstrate that this impression continued through 1995, when they began using the AMERICAN LAFRANCE EAGLE mark. Plaintiff cites several cases that purportedly support this strict view, but our reading of them leads us to conclude that they do not. One case cited by plaintiff did mention that a party had “always” used an element of its trademark in a certain way, but the court did not hold that a party seeking to tack must demonstrate the commercial impression of the prior trademark dating back to its first use in commerce. *Owens-Illinois, Inc. v. Optimist Int'l*, 173 U.S.P.Q. 120, 127 (T.T.A.B. 1972). Even if *Owens-Illinois* did support plaintiff's view, we would disagree with such a holding because we find defendants' criticism of plaintiff's view to be valid: trademark law does not (and should not) require a decades-old mark to continue to evoke the *exact same* commercial reaction today that it evoked at its birth or else lose its accumulation of good will from prior use over those decades.

We are disappointed that plaintiff's counsel failed to inform the court that one of the decisions they cited had been vacated. See *Sterling Bank v. Sterling Bank & Trust, FSB*, 94 CV 8378, 1996 WL 339849 (C.D. Cal. May 14, 1996), vacated pursuant to settlement, 1996 WL 500946 (C.D. Cal. July 5, 1996). Although vacating an opinion pursuant to a settlement does not necessarily negate the logic of the opinion, it is still important to inform a court of the fact of vacatur.

7 This is not an exhaustive list of potentially relevant considerations. For example, if a party is claiming priority of use based on an older mark, it probably must demonstrate its rights in that older mark. Here, the parties do not contest that defendants have rights in their composite mark, at least for the purposes of these cross motions.

8 Our emphasis on the impressions of consumers is bolstered by Seventh Circuit precedent in an analogous trademark context -- the “likelihood of confusion” test for infringement. See, e.g., *Dorr-Oliver, Inc. v. Fluid-Quip, Inc.*, 94 F.3d 376, 382 [ 39 USPQ2d 1990 ] (7th Cir. 1996) (“the proper inquiry centers on the confusion of customers in the market for the particular products at issue”); *Scandia Down Corp. v. Euroquilt, Inc.*, 772 F.2d, 1423, 1428 [ 227 USPQ 138 ] (7th Cir. 1985) (“[T]he legal question is not whether the marks look similar to us, but whether they look similar to the ordinary consumers of bedding products.”); *James Burroughs Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d 266, 275 [ 192 USPQ 555 ] (7th Cir. 1976) (“Though the marks must be compared, they must be compared in the light of what occurs in the marketplace, not in the courtroom.”); *Imperial Service Sys. v. ISS Int'l*, 701 F.Supp. 655, 658 [ 12 USPQ2d 1483 ] (N.D. Ill. 1988) (“[The] test is the consumers' state of mind when faced with the marks individually.”).

9 If the change to the mark is de minimus (that is, basically unnoticeable), perhaps it would be appropriate for the finder of fact, without being provided evidence on consumers' perceptions, to conclude that there is no genuine issue as to whether consumers perceive the two marks as making the same commercial impression. We found no precedent addressing this scenario, nor has either party addressed it. This is not problematic because our case does not involve a “de minimus” change to defendants' mark. We have a party that has changed a composite mark that included two words and two pictorial to a word mark with three words.

10 Defendants argue that “tacking is based on and is a logical outgrowth of the doctrine of legal equivalents.” Defendants' Supplemental Brief on Tacking at 3-4. They provide no support for this contention.

11 To be clear, we have vacated the following portion of our September 16th opinion: from the second paragraph on page five all the way through and including the first paragraph on page nine. Defendants should no longer cite to that portion of the opinion.

12 Even if we are wrong in concluding that the doctrine of equivalents should not be applied in the context of priority disputes, the doctrine would still not allow the defendants to prevail here. Defendants ask us to legally equate their composite mark with a word mark, but there is no precedent that supports such an equation. The doctrine of legal equivalents is invoked to equate a word mark with a picture mark. See, e.g., *Mobil Oil*, 818 F.2d at 257 (equating word mark PEGASUS with plaintiff's picture mark of a flying horse); *In re Duofold Inc.*, 184 U.S.P.Q. 638, 640 (T.T.A.B. 1974) (pictorial of a golden eagle “might well trigger the recollection of” the (GOLDEN EAGLE word mark); *Izod, Ltd. v. Zip Hosiery Co.*, 160 U.S.P.Q. 202, 203 (C.C.P.A. 1969) (word mark TIGER HEAD is the legal equivalent of a pictorial representation of a feline's head). The language of one case underscores our point: the doctrine of legal equivalents is founded on the “sound basis that the pictorial representation and its literal equivalent conjure up the same mental image or suggestion.” *In re Duofold Inc.*,

184 U.S.P.Q. at 640. Such a “sound basis” does not exist here because defendants are not seeking to convert a pictorial representation into its literal equivalent. They are seeking to convert a composite mark with two pictorial representations and a phrase into a three-word mark.

Another problem with defendants' proposed application of the doctrine of legal equivalents is that they ask us to conclude that their two marks are legal equivalents because one element in the composite mark (the bird pictorial) could be considered the equivalent of one element in their word mark (the word “eagle”). There is no authority for the proposition that if one component of a mark is the legal equivalent of one component of another mark, then the two marks are legal equivalents.

On a related note, we previously remarked that the new mark's lack of a Maltese cross pictorial was an immaterial difference when comparing the two marks. *Id.* at 6. Defendants hearken back to this remark to support their doctrine of legal equivalents argument. Their argument is problematic because our remark has been vacated, and in any event, the remark was made in connection with our tacking analysis, not in connection with any analysis involving the doctrine of legal equivalents. The doctrine of legal equivalents does not render differences between marks as “immaterial”; it operates solely to equate two marks when they are literal or pictorial equivalents.

- 13 Defendants also cite another paragraph in Heller's declaration -- Para.4 -- but this paragraph does not offer relevant evidence on consumers' perceptions. Incidentally, when the parties briefed the original cross motions for summary judgment several months ago, plaintiff filed a motion to strike certain testimony in Para.4 of Heller's affidavit. See Navistar's Motion to Strike Dated July 10, 1998. Plaintiff also sought to strike testimony in a different affidavit (and documents attached to that second affidavit). Because we are not relying on any of this disputed testimony, plaintiff's motion is denied as moot.
- 14 Defendants rely on a different portion of the *Nike* decision, which stated that “ ‘it is certainly proper for the trial judge to infer from the absence of actual confusion that there was also no likelihood of confusion.’ ” *Nike*, 6 F.3d at 1231 (quoting *McGregor-Doniger Inc. v. Drizzle Inc.*, 599 F.2d 1126, 1136 [ 222 USPQ 81 ] (2d Cir. 1979)). Defendants ask us to draw such an inference from plaintiff's lack of evidence of actual confusion. Putting aside the possibility that the passage defendants rely upon may be inconsistent with the *Nike* passage we quote in the text above, we point out that drawing such an inference would violate the rules of summary judgment. We cannot draw an inference in favor of the defendants because they are the movants here. See *O'Connor v. DePaul University*, 123 F.3d 665, 669 (7th Cir. 1997) (in considering a summary judgment motion, the court construes all evidence and inferences that reasonably can be drawn therefrom in the light most favorable to the nonmoving party).
- 15 In *AHP*, the Seventh Circuit concluded that the district court “was premature in rejecting the survey evidence proffered.” 1 F.3d at 618. The court stated that although survey evidence may be “so flawed as to be completely unhelpful to the trier of fact and therefore inadmissible, such situations will be rare.” *Id.* (citation omitted). The court concluded that “any shortcoming in [these particular] survey results go to the proper weight of the survey and should be evaluated by the trier of fact.” *Id.*



2014 WL 794277

Only the Westlaw citation is currently available.

United States District Court, E.D. Virginia,  
Alexandria Division.REYNOLDS CONSUMER  
PRODUCTS, INC., Plaintiff,

v.

HANDI-FOIL CORPORATION, Defendant.

Civil Action No. 13-cv-214. | Feb. 27, 2014.

**Attorneys and Law Firms**

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Brian Nicholas Gross, Kirkland & Ellis LLP, Washington, DC, for Defendant.

**MEMORANDUM OPINION**

LIAM O'GRADY, District Judge.

\*1 On August 28, 2013, Reynolds Consumer Products, Inc. ("Reynolds") filed its Second Amended Complaint against Handi-Foil Corporation ("Handi-Foil"). The Complaint contained eight counts and alleged that Handi-Foil had infringed Reynolds' registered trademarks and its common law trade dress rights in violation of the Lanham Act. Reynolds also accused Handi-Foil of false advertising. In its Answer Handi-Foil asserted two counterclaims seeking (i) cancellation of Reynolds' trademark registrations on the basis of abandonment, and (ii) declaratory judgment of non-infringement.

Currently before the Court are multiple pretrial motions. Both parties have submitted motions for partial summary judgment with respect to Handi-Foil's abandonment counterclaim, Handi-Foil has also moved for partial summary judgment with respect to Reynolds' false advertising claim. The parties have both filed motions to strike the opposing party's expert. Finally, Handi-Foil has moved to strike Reynolds' jury demand.

The Court held argument on the motions—all of which were extensively briefed and vigorously opposed—in open

court on January 10, 2014. For the reasons stated below, the Court finds that Reynolds has not abandoned its trademark registrations. Therefore, Reynolds' Motion for Partial Summary Judgment (Dkt. No. 107) is GRANTED. All other motions are DENIED.

**BACKGROUND**

Both parties manufacture and market consumer aluminum food storage and cookware products. The cornerstone of Reynolds' business is its Reynolds Wrap aluminum foil, a product sold at remarkably high volumes and found in a strikingly large number of United States households. In the summer of 1977, Reynolds' predecessor applied for, and was granted, two trademark registrations for its Reynolds Wrap package designs. Reynolds currently owns these two registrations, which it now asserts against Handi-Foil in the current action.<sup>1</sup>

Reynolds amended the registrations in 1997. As part of its application to amend the marks, Reynolds submitted a specimen to reflect how the Reynolds Wrap package was currently being used in commerce. The majority of the 1997 specimen is metallic blue, while the far right end of the package is pink. A series of sharp, diagonal silver lines separate the blue and pink areas. On the blue area, the words "Reynolds Wrap" are written in bold silvery-white font. On the pink area, the square footage of the roll foil is prominently written in bold blue font.

Ten years later, in the summer of 2007, Reynolds sought to renew both registrations. In doing so, Reynolds again submitted a specimen to reflect how the Reynolds Wrap package was currently being used in commerce. There is no question that the 1997 and 2007 specimens differ. Both retain the familiar blue, silver, and pink color-pattern. The 2007 specimen, however, used a series of curved silver lines to separate the blue and pink areas. The writing and font on the packages remained largely the same. The United States Patent and Trademark Office ("PTO") accepted the 2007 specimen and renewed both registrations.

\*2 Reynolds again altered the Reynolds Wrap box in 2008, a year after the PTO renewed the registrations on the basis of the 2007 specimen. The changes mostly altered the proportions of the blue and pink areas, as well as the proportions of the writing in each area. Additionally,

Reynolds added the text “Trusted Since 1947” underneath the Reynolds Wrap logo on the blue side of the box.

For many years the bulk of Handi-Foil's business focused on aluminum baking pans. According to Handi-Foil, Dollar Tree Stores, Inc. (“Dollar Tree”) approached Handi-Foil about creating an aluminum roll foil product in 2011. In March of 2012 Handi-Foil began selling aluminum roll foil at Dollar Tree stores. Months later Handi-Foil expanded its production and began offering the foil at retail grocery stores nationwide. As part of its efforts to enter the national retail aluminum roll foil market, Handi-Foil representatives began to pitch Handi-Foil's product as new and comparable to Reynolds Wrap. Reynolds argues that Handi-Foil representatives solicited purchasing agents from over a quarter of the nation's large retail grocery stores with these or similar pitches. These solicitations make up the bulk of Reynolds' false advertisement claim.<sup>2</sup>

## DISCUSSION

### I. Cross Motions for Partial Summary Judgment

#### A. Standard of Review

Summary judgment should be granted where the evidence in the record “show[s] that there is no genuine issue as to any material fact and that the movant is entitled to a judgment as a matter of law.” Fed.R.Civ.P. 56(c); see *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). As the Supreme Court explained, “this standard provides that the mere existence of some alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no genuine issue of material fact.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247–48 (1986). A dispute over an issue of material fact is “genuine” if “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Id.* Finally, in making a summary judgment determination, the Court must view the facts in the light most favorable to the nonmoving party. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586–87 (1986).

#### B. Abandonment

Each party has moved for judgment in its favor on Handi-Foil's abandonment counterclaim. An abandonment claim like Handi-Foil's forces the Court to determine whether Reynolds has discontinued the use of its registered marks,

with no intent to resume such use. See 15 U.S.C. § 1127; *Emergency One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 535–36 (4th Cir.2000). Handi-Foil rests its abandonment claim on the fact that the Reynolds Wrap box currently used is not identical to Reynolds' registered marks. Reynolds does not debate this fact, nor could it. It is beyond dispute that Reynolds has altered its box numerous times since obtaining the registrations. Instead, Reynolds claims the changes it has made are minor and invokes the legal doctrine of “tacking” as a defense to Handi-Foil's abandonment claim.

\*3 The signature case outlining the modern standard for tacking in the Fourth Circuit is *George & Co. LLC v. Imagination Entm't Ltd.*, 575 F.3d 383 (4th Cir.2009). In *George* the Fourth Circuit adopted the standard for tacking outlined by the Federal Circuit in *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1159 (Fed.Cir.1991). These cases instruct the Court to determine whether or not the marks in use are the “legal equivalent” of the earlier marks. *George*, 575 F.3d at 402; *Van Dyne-Crotty*, 926 F.2d at 1159. The test for legal equivalency in the tacking context is more stringent than the “confusingly similar” standard used to determine infringement. *Id.* A tacking claim will only be successful if the marks in question create “the same, continuing commercial impression.” *Id.* This is a high standard and both the Fourth and Federal Circuits have made clear that tacking is to be allowed “only in rare instances.” *Id.*

The standard for tacking may be clear, yet a number of subsidiary issues related to the application of that standard at summary judgment are less well-defined. First, it appears to be an open question in the Fourth Circuit whether tacking is a question of law or fact. Second, it is unclear who bears the burden of proving tacking. Third, evidentiary issues impact this Court's analysis under the *George* test. The evidentiary issues most pertinent to the current case include what two marks should be compared and what evidence the court should consider at this stage of the litigation. While the parties agree that the continuing commercial impression standard governs the Court's inquiry, they disagree on the majority of these subsidiary questions.

Courts hold opposing views as to whether tacking is a question of fact or law. The Federal Circuit has found that, because “[n]o evidence need be entertained other than the visual or aural appearance of the marks themselves,” tacking is a question of law subject to *de novo* review. See *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 1347 (Fed.Cir.2001) (citing *Van Dyne-Crotty*, 926 F.2d at 1159).

The Sixth Circuit has agreed that tacking is a question of law. *See Data Concepts, Inc. v. Digital Consulting, Inc.*, 150 F.3d 620, 623 (6th Cir.1998). The Ninth Circuit, however, has held that tacking is a question of fact. *See One Indus., LLC v. Jim O'Neal Distributing, Inc.*, 578 F.3d 1154, 1160 (9th Cir.2009).<sup>3</sup>

The only decision in the Fourth Circuit to specifically address this issue is *Adventis, Inc. v. Consol. Prop. Holdings*, where Judge Turk provided an analysis of the relevant case law and found that tacking is a question of fact. Case No. 7:02-cv-611, 2006 WL 1134129 at \*4–5 (W.D.Va. April 24, 2006). At argument, both Reynolds and Handi-Foil stated their belief that tacking is a question of law. Despite the puzzling result—as pointed out in *Adventis*—that infringement could be an issue of fact while tacking could be an issue of law, the Fourth Circuit's reliance on *Van Dym-Crotty*, along with both parties stipulation, compels this Court to find that tacking is a question of law.

\*4 Next, the Court considers which party bears the burden of proving tacking. The parties vehemently disagree on this issue. Handi-Foil maintains that the burden of proving tacking as a matter of law lies with Reynolds. Unsurprisingly, Reynolds believes the burden lies with Handi-Foil. The disagreement stems from language in *George*. In discussing abandonment generally, *George* explicitly held that “[t]he ultimate burden of proof remains always on the party claiming a mark has been abandoned.” *George*, 575 F.3d at 401. Reynolds points to this language in an effort to conclude that Handi-Foil bears the burden when it comes to any questions related to abandonment. A close reading of *George*, along with an understanding of the specific question at issue in this case, militates against Reynolds' interpretation.

The quote above in *George* is pulled from the Fourth Circuit's discussion of abandonment, not tacking. *George* did not actually address who bears the burden of proving tacking. Moreover, Reynolds has admitted that the marks currently in use are not the same as the marks as registered and that it has no intention of returning the former marks to use. This admission concedes the key elements of an abandonment claim. In response to this concession, however, Reynolds seeks to utilize tacking as a defense to Handi-Foil's abandonment counterclaim. Given this posture, the Court finds that the burden for proving tacking lies with Reynolds. *See Adventis*, 2006 WL 1134129 at n. 10 (agreeing that “[t]he party seeking to tack bears the burden of proof”).

Turning to the open evidentiary questions, the principal issue is what two boxes the Court should consider in conducting its tacking inquiry. The Court finds the logical points of comparison are the Reynolds Wrap box as currently used in commerce and the box as registered with the PTO. This in turn requires the Court to compare the current Reynolds Wrap box with the 2007 specimen.<sup>4</sup>

To summarize the above, the Court finds that tacking is a question of law. The Court also finds that the burden of showing that the Reynolds Wrap box as currently sold creates the same, continuing commercial impression as the 2007 specimen rests with Reynolds. Reynolds has met this burden.

The Court is well aware that *George* sets a very high standard for tacking. If Reynolds' current box and the 2007 specimen cannot be said to create a continuing commercial impression, however, the Court cannot imagine any two non-identical marks that would. Based on sight alone, the Court finds that a reasonable juror could not find that the marks in question fail to produce a continuing commercial impression. Accordingly, Reynolds as a matter of law is entitled to summary judgment in its favor on Handi-Foil's abandonment counterclaim.<sup>5</sup>

### C. False Advertising

In its motion for partial summary judgment, Handi-Foil also asks the Court to enter judgment in its favor on Reynolds' false advertising claim. In order to succeed on its false advertising claim under the Lanham Act Reynolds must show that: (1) Handi-Foil made a false or misleading statement in a commercial advertisement about either a Handi-Foil or Reynolds product; (2) the misrepresentation was material; (3) the misrepresentation actually deceives or has a tendency to deceive a substantial segment of its audience; (4) Handi-Foil placed the misrepresentation in interstate commerce; and (5) Handi-Foil's misrepresentation injured Reynolds. *See PBM Prod., LLC v. Mead Johnson & Co.*, 639 F.3d 111, 120 (4th Cir.2011). Handi-Foil argues that it is entitled to summary judgment on the basis of the first three prongs. In particular, Handi-Foil asserts the solicitations made by its sales representatives were not commercial advertisements. Additionally, Handi-Foil argues that Reynolds cannot show that any of the statements in question were false, had a tendency to deceive, or were material. All of these arguments fail.

\*5 Fourth Circuit courts seeking to determine whether a statement is a commercial advertisement for the purposes of a Lanham Act false advertising claim have turned to the Second Circuit's decision in *Fashion Boutique of Short Hills, Inc. v. Fendi USA, Inc.*, 314 F.3d 48 (2d Cir.2002). See *Applied Med. Res. Corp. v. Steuer*, 527 F.Supp.2d 489, 493 (E.D.Va.2007) (applying the standard from *Fashion Boutique*); *Tao of Syst. Integration, Inc. v. Analytical Serv. & Materials, Inc.*, 299 F.Supp.2d 565, 573 (E.D.Va.2004) (same). For a statement to be a commercial advertisement it must be: (1) commercial speech; (2) by a defendant in commercial competition with the plaintiff; (3) for the purpose of influencing consumers to buy the defendant's good; and (4) disseminated sufficiently to the relevant purchasing public to constitute "advertising" or "promotion". *Applied Med Res, Corp.*, 527 F.Supp.2d at 493. Whether or not an advertisement is sufficiently disseminated depends on the specific market in question. *Id.*

With these principles in mind, even a brief review of the record shows that Handi-Foil's arguments must fail. Reynolds has all but proven the first three elements of the *Fashion Boutique* standard. As this litigation makes clear, Handi-Foil is in commercial competition with Reynolds. Additionally, the email exchanges between Handi-Foil sales representatives and retail stores are clear examples of commercial speech meant to encourage those stores to purchase Handi-Foil roll foil.<sup>6</sup> As to the fourth *Fashion Boutique* criteria, the facts read in a light most favorable to Reynolds show that Handi-Foil contacted over a quarter of the relevant market. This, at the very least, creates a genuine issue of material fact as to whether the allegedly false statements were commercial advertisements.

Even if the statements at issue are commercial advertisements, Handi-Foil asserts an alternative ground for its summary judgment argument. In short, Handi-Foil contends that Reynolds cannot prove that the three "categories of claims" are false.

Reynolds does not have to prove its claims at this stage of the litigation. Rather, in the face of Handi-Foil's motion, Reynolds must show the existence a genuine issue of material fact that the statements were material and that they were false or had the tendency to deceive. Reynolds has made this showing. First, as a general matter, questions of materiality and falsity are typically questions of fact. See, e.g., *X-IT Products, LLC v. Walter Kidde Portable Equip., Inc.*, 155 F.Supp.2d 577, 627 (E.D.Va.2001). See also *Basile Baumann Prost Cole & Assocs., Inc. v. BBP & Assocs. LLC*, 875

F.Supp.2d 511, 529–30 (D.Md.2012) (citing *Dunn v. Borta*, 369 F.3d 421, 427 (4th Cir.2004)). Second, the Court does not accept Handi-Foil's contention that professional retail buyers would find information pertaining to roll foil's strength immaterial. If the inferences are read in Reynolds' favor, as the Court must, Handi-Foil's clear focus on strength equivalency in its concerted sales pitches itself creates a genuine issue of fact as to whether strength equivalency was material. Finally, the equivalency tests included in the record create a genuine issue of material fact as to whether Handi-Foil is in fact as strong as Reynolds Wrap. Accordingly, the Court must deny Handi-Foil's motion for summary judgment on Reynolds' false advertising claim.

## II. Motions to Exclude Experts

\*6 Both parties contracted experts to conduct consumer surveys in preparation for trial. Each expert conducted a consumer survey seeking to determine whether Handi-Foil aluminum roll foil packages are confusingly similar to Reynolds Wrap packages. Predictably, the experts reach dramatically different conclusions. Also predictably, each party now moves to exclude the other party's expert.

Under the Federal Rules of Evidence, expert testimony is allowed when it (1) will assist the trier of facts, (2) is based on sufficient facts or data, and (3) is the product of reliable principles which have been reliably applied to the facts of the case. Fed.R.Evid. 702. Courts must ensure that all scientific evidence is both relevant and reliable. See *PBM Prod.*, 639 F.3d at 123 (citations omitted). When it comes to consumer perception surveys in trademark infringement cases, courts hold a clear preference for admissibility. *Id.* As the Fourth Circuit has noted, "[w]hile there will be occasions when the proffered survey is so flawed as to be completely unhelpful to the trier of fact and therefore inadmissible, such situations will be rare." *Id.* This is not one of those rare instances. While there are almost certainly technical deficiencies in each of the expert surveys produced, such shortcomings do not determine admissibility but merely serve to reduce the weight given to the evidence. Therefore both Reynolds' and Handi-Foil's motions to exclude are denied.

## III. Motion to Strike Reynolds' Jury Demand

Handi-Foil's final motion asks the Court to strike Reynolds' jury demand. The parties agree that Reynolds loses its right to a jury trial only if the relief it seeks is entirely equitable in nature. See *Dairy Queen, Inc. v. Wood*, 369 U.S. 469, 472–80 (1962). In its Second Amended Complaint, Reynolds



explicitly asks to be “awarded damages to compensate it for lost sales and diminished goodwill in an amount to be proven at trial.” See Dkt. No. 56 at ¶ 100. Handi-Foil contends that because Reynolds' damages expert spoke exclusively in terms of “unjust enrichment” when deposed, it has forfeited its right to a jury trial. In support Handi-Foil points to *Ringling Bros.-Barnum & Bailey Combined Shows Inc. v. Utah Div. of Travel Dev.*, 955 F.Supp. 598 (E.D.Va.1997).

*Ringling Brothers* analyzed the right to a jury trial in a Lanham Act anti-dilution case and focused primarily on the standards set out in *Dairy Queen*, the controlling case in this instance. *Dairy Queen* held that an action for damages based upon a charge of trademark infringement is legal in nature. Of significance for the current inquiry, *Dairy Queen* noted that

The respondents' contention that this money claim is ‘purely equitable’ is based primarily upon the fact that their complaint is cast in terms of an ‘accounting,’ rather than in terms of an action for ‘debt’ or ‘damages.’ But the constitutional right to trial by jury cannot be made to depend upon the choice of words used in the pleadings ... The legal remedy cannot be characterized as inadequate merely because the measure of damages may necessitate a look into petitioner's business records.

\*7 *Dairy Queen*, 369 U.S. at 477–78. *Ringling Brothers* is entirely consistent with *Dairy Queen*, denying a jury trial only because the “remaining available remedies” were “wholly equitable.” *Ringling Bros.*, 955 F.Supp. at 603.

Reynolds is seeking proxy damages. In other words, Reynolds plans to quantify its alleged damages for lost sales and

diminished goodwill by looking to Handi-Foil's profits. This is identical to what was sought in *Dairy Queen*. That Reynolds' damages expert, a non-lawyer, used the terms “unjust enrichment” instead cannot vitiate Reynolds' Seventh Amendment right to a jury. This conclusion is bolstered by credibility issues relating to the experts' competing analyses of Handi-Foil's profits as well as this Court's responsibility to protect against the unnecessary curtailment of constitutional rights. See *Dairy Queen*, 369 U.S. at 477–78 (“the constitutional right to trial by jury cannot be made to depend upon the choice of words used in the pleadings”). See also *Beacon Theatres, Inc. v. Westover*, 359 U.S. 500, 501 (1959) (“Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with the utmost care.” (citing *Dimick v. Schiedt*, 293 U.S. 474, 486 (1935))).

### CONCLUSION

For the reasons stated above the Court finds that Reynolds has not abandoned its registered marks. Reynolds' Motion for Partial Summary Judgment is therefore GRANTED. The Court also finds that (i) Reynolds has created genuine issues of material fact on its false advertising claim (Count VIII); (ii) the consumer surveys by both parties' experts should be admitted; and (iii) Reynolds has not forfeited its right to a jury trial. Accordingly, the remaining motions are DENIED. A corresponding order shall issue.

### ADDENDUM

#### The 2007 Specimen:



#### The Current Reynolds Wrap box:



## All Citations

Slip Copy, 2014 WL 794277

## Footnotes

- 1 The U.S. Registration Numbers for the two registrations are 1,067,092 ("the '092 registration") and 1,070,888 ("the '888 registration"). Handi-Foil does not question that Reynolds is the current owner of both registrations.
- 2 At least some of the roll foil sold by Handi-Foil comes in a metallic blue, pink, and silver package. For the purposes of the motions currently before the Court, however, any resemblance between Handi-Foil and Reynolds packages is immaterial.
- 3 Tellingly, the Ninth Circuit followed this conclusion by stating that "A question of fact may be resolved as a matter of law if reasonable minds cannot differ and the evidence permits only one conclusion." *One Indus.*, 578 F.3d at 1160.
- 4 During oral argument the parties disagreed about the amount of deference owed to the PTO's renewal determination. The PTO analyzed Reynolds' renewal application in light of the 2007 specimen. In doing so, it did not consider the box as currently marketed to consumers. Accordingly, the Court need not factor in the PTO's renewal decision in conducting the tacking inquiry.
- 5 In *Adventis*, Judge Turk noted that probative evidence of tacking include (1) side-by-side comparisons of the marks; (2) broad evidence of consumer impression; and (3) the intent of the mark-holder in modifying the designs. See 2006 WL 1134129 at n. 10. While the Court bases its conclusion on the first of these three factors alone, the final two also support Reynolds' tacking claim. For example, the Perception Research Services, Inc. study ("the PRS Study") commissioned by Reynolds found that "the vast majority of target buyers fail to recognize that Reynolds packaging has been modified." See PRS Study, Exhibit 12 to the Decl. of Mark N. Mutterperl Submitted in Support of Plaintiff's Motion for Partial Summary Judgment. The PRS Study is also evidence of Reynolds' intention to not abandon its marks.
- 6 See, e.g., Exhibits 11–18 to the Decl. of Ian J. Block in Support of Defendant's Motion for Partial Summary Judgment.